99th Congress, 1st Session - - - - - - - - - - - House Document 99-61

ESTABLISHMENT OF A FREE TRADE AREA BETWEEN THE UNITED STATES AND ISRAEL

MESSAGE

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

THE TEXT OF THE AGREEMENT ON THE ESTABLISHMENT OF A FREE TRADE AREA BETWEEN THE GOVERNMENT OF THE UNITED STATES AND THE GOVERNMENT OF ISRAEL, TOGETHER WITH A DRAFT OF THE IMPLEMENTING BILL, STATEMENT OF ADMINISTRATIVE ACTION, AND EXPLANATION OF EFFECTS ON EXISTING LAW, PURSUANT TO 19 U.S.C. 2112(e)(2), 2212(a).

APRIL 29, 1985.—Message and accompanying papers referred to the Committees on Ways and Means, Government Operations, and Rules and ordered to be printed

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U.S. GOVERNMENT PRINTING OFFICE
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H780-4

To the Congress of the United States:

I am pleased to transmit to you, pursuant to section 102 of the Trade Act of 1974 (19 U.S.C. 2112(e)(2)), the text of the Agreement on the Establishment of a Free Trade Area between the Government of the United States of America and the Government of Israel entered into in Washington on April 22, 1985.

This historic Agreement was negotiated under the terms of Title IV of the Trade and Tariff Act of 1984 (P.L. 98-573) and provides for the creation of a Free Trade Area between the United States and Israel in order to strengthen and develop the two nations' economic relations and to further the friendship between them.

With the Agreement I am transmitting the proposed United States-Israel Free Trade Area Implementation Act to be considered by the Congress in accordance with the procedures of section 151 of the Trade Act of 1974; and a statement of administrative action that is proposed to implement the Agreement. Section 102 also requires a statement of reasons, first, as to how the Agreement serves the interest of United States commerce, and second, as to why the implementing bill and proposed administrative action is required or appropriate to carry it out. The second of these requirements is met by the statement of administrative action. This letter shall meet the first.

The signing of this Agreement on April 22, 1985 marked the end of lengthy negotiations with Israel. The passage of the proposed implementing legislation, I believe, will mark the beginning of a strong new trading relationship with our friends in Israel. This Agreement, the first of its kind for the United States, provides for the elimination of substantially all the trade barriers between the United States and Israel and will be instrumental in the development of bilateral trade for our mutual benefit.

This Agreement serves the interests of United States commerce because it will create significant expansion of our trade with Israel. For the United States, the Agreement will provide duty free access to an $8 billion market in which we currently face relatively high duties and certain non-tariff barriers and in which we face a tariff disparity resulting from an Israeli agreement with the European Community. This Agreement will ensure that American firms can compete fairly and competitively in the Israeli market.

I would like, in closing, to express my appreciation for the close cooperation between the Congress and the Administration that has been the hallmark of our joint effort to make the U.S.-Israel Free Trade Area a reality. Our success in this undertaking should be a matter of pride for us all and a model for future trade initiatives.

RONALD REAGAN.

THE WHITE HOUSE, *April 29, 1985.*

Agreement
on the Establishment of a Free Trade Area
between the Government of the United States of America
and the Government of Israel

[PREAMBLE]

The Government of United States of America and the Government of Israel,

- Desiring to promote mutual relations and further the historic friendship between them;

- Determined to strengthen and develop the economic relations between them for their mutual benefit;

- Recognizing that Israel's economy is still in a process of development;

- Wishing to contribute to the harmonious development and expansion of world trade;

- Wishing to establish bilateral free trade between the two nations through the removal of trade barriers;

- Wishing to promote cooperation in areas which are of mutual interest;

have decided to conclude this Agreement:

ARTICLE 1

[ESTABLISHMENT OF A FREE TRADE AREA]

The governments of the United States of America and Israel (the Parties), consistent with Article XXIV (8) (b) of the General Agreement on Tariffs and Trade (GATT), establish hereby between them a Free Trade Area and will in accordance with the provisions of this Agreement eliminate the duties and other restrictive regulations of commerce on trade between the two nations in products originating therein.

ARTICLE 2

[ANNEXES]

1. Products of Israel shall, when imported into the customs territory of the United States, be governed by the provisions of Annex 1.

2. Products of the United States shall, when imported into Israel, be governed by the provisions of Annex 2.

3. The rules of origin applicable to this Agreement are set forth in Annex 3.

4. The commitment with respect to export subsidies is contained in Annex 4.

5. The Annexes to this Agreement constitute an integral part thereof.

ARTICLE 3

[RELATIONSHIP TO OTHER AGREEMENTS]

The Parties affirm their respective rights and obligations with respect to each other under existing bilateral and multilateral agreements, including the Treaty of Friendship, Commerce and Navigation between the United States and Israel and the GATT. In the event of an inconsistency between provisions of this Agreement and such existing agreements, the provisions of this Agreement shall prevail.

ARTICLE 4

[NEW RESTRICTIONS ON TRADE]

New customs duties on imports or exports or any charge having equivalent effect and new quantitative restrictions on imports or exports or any measure having equivalent effect may be introduced in the trade between the Parties only if permitted by this Agreement or by the GATT as in effect on the date of entry into force of this Agreement and as interpreted by the CONTRACTING PARTIES to the GATT and insofar as not inconsistent with this Agreement.

ARTICLE 5

[RELIEF FROM INJURY CAUSED BY IMPORT COMPETITION]

1. When a product is being imported in such increased quantities

as to be a substantial cause of serious injury or the threat thereof to domestic producers of like or directly competitive products, the importing Party shall consult with the other Party in accordance with Article 18 before taking any action affecting the trade of the other Party.

2. Neither Party shall take an action which provides solely for a suspension of the reduction or elimination of any duty provided for by this Agreement unless the serious injury or threat thereof which is substantially caused by imports to the domestic producers of like or directly competitive products results from the reduction or elimination of a duty provided for by this Agreement.

3. When, in the view of the importing Party, the importation of a product from the other Party is not a substantial cause of the serious injury or threat thereof referred to in paragraph 1, the importing Party may except the product of the other Party from any import relief that may be imposed with respect to imports of that product from third countries, taking into account the objective of achieving bilateral free trade as embodied in this Agreement, the domestic laws and international obligations of the Parties.

ARTICLE 6

[IMPORT RESTRICTIONS ON AGRICULTURE]

Import restrictions, other than customs duties, including, but not limited to, quantitative restrictions and fees, based on agricultural policy considerations may be maintained by the Parties.

ARTICLE 7

[GENERAL AND SECURITY EXCEPTIONS]

Article XX and XXI of the GATT are hereby incorporated into and made a part of this Agreement.

ARTICLE 8

[SPECIAL EXCEPTION FOR KASHRUTH]

This Agreement shall not preclude the adoption or enforcement by either Party of measures relating to prohibitions on religious or ritual grounds provided that they are applied in accordance with the principle of national treatment.

ARTICLE 9

[HEALTH]

1. The Parties shall review their current and future rules on veterinary and plant health matters to insure that these rules are applied in a non-discriminatory manner, and that these rules do not have the effect of unduly obstructing trade.

2. With reference to the matters in paragraph 1, the Parties shall consult on any difficulties that may arise in their trade in agricultural products and shall seek to provide solutions which will allow trade in agricultural products insofar as they do not endanger animal and plant health.

3. To insure harmonious development of trade in agricultural products, the Joint Committee shall establish a working group, in accordance with subparagraph 3 (b) of Article 17, which shall convene at the request of either Party to consider matters relating to paragraphs 1 and 2 of this Article.

ARTICLE 10

[INFANT INDUSTRY]

1. Insofar as its industrialization and development make protective measures necessary Israel may through December 31, 1990, after consultation within the Joint Committee, and after that date, upon agreement within the Joint Committee, introduce, increase or re-introduce ad valorem customs duties not exceeding 20 percentage points above the level that would otherwise be in effect. The total value of the products for which these measures can be applied may not exceed 10% of the total value of Israel's imports from the United States in 1984.

2. These measures may be taken only if they are necessary to protect and favor the development of a new processing industry not already

existing in Israel on the date of the entry into force of the Agreement; they may be applied only with respect to the production of specific goods.

3. Twenty-four months after introducing, increasing or re-introducing customs duties, Israel shall reduce the tariffs by at least 5% per year in respect of imports of the products in question originating in the United States. The abolition of such duties must be completed by not later than January 1, 1995.

ARTICLE 11

[BALANCE OF PAYMENTS]

1. (a) A Party may apply temporary trade measures when it is threatened by, or suffers from, a serious balance of payments situation. A Party may impose temporary trade measures only to provide time for macroeconomic adjustment measures to correct its balance of payments problems to take effect. Temporary trade measures permitted by this paragraph may not be used to protect individual industries or sectors.

(b) A serious balance of payments situation would be indicated by one or more of the following: a substantial deterioration in the trade and current account positions, significant pressure on the exchange rate, or a substantial fall in net reserves, as projected either in a decrease of reserves or in an increase of short term debt.

2. Temporary trade measures which may be applied under paragraph 1 are:

(a) an import surcharge in the form of import duties;

(b) an import deposit; or

(c) quantitative restrictions.

3. (a) Whenever practicable the Parties will prefer the use of the temporary measures specified in subparagraphs 2 (a) and 2 (b). Quantitative restrictions will be imposed when measures 2(a) and 2(b) would be inadequate in terms of their balance of payments effects.

(b) Whenever practicable, the Parties will avoid applying more than one of the measures specified in paragraph 2 to any single product at the same time.

4. A temporary trade measure applied under paragraph 1 may remain in force for a period not exceeding 150 days unless extended by the appropriate legislative body of the Party concerned for a subsequent period of 150 days. Quantitative restrictions may be extended only for one additional period of 150 days.

5. Temporary trade measures applied under paragraph 1 will be consistent in duration and effect with the severity of the balance of payments problem experienced by the Party imposing the measures

and will be progressively relaxed consistent with improvements in that Party's balance of payments situation.

6. In the event that temporary trade measures are applied under paragraph 1, consultations will be held between the Parties on the balance of payments situation, to consider, inter alia, other economic measures which might be taken to deal with the balance of payments problems to permit early elimination of the temporary trade measures. Significant intensification of trade measures may be a cause for consultations between the Parties.

7. In applying temporary trade measures, the Parties will accord treatment no less favorable to imports originating in the other Party than to imports originating in third countries, and will not impair the relative benefits accorded to the other Party under this Agreement.

8. Temporary trade measures specified under subparagraphs 2 (a) and 2 (b) shall apply to all imports, except that certain imports may be excluded if their exclusion improves the effectiveness of the measures consistent with the purposes stated in paragraph 1.

9. Notification and disputes relating to the operation of this Article shall be subject to the procedures of Articles 18 and 19. It is understood that notification for balance of payments

reasons will generally be provided under paragraph 3 of Article 18.

ARTICLE 12

[LICENSING]

1. Neither Party shall impose import licensing requirements on items exported by the other Party, unless licenses issued under such requirements are:

(a) automatically approved;

(b) necessary to administer a quantitative ceiling on imports justified under this Agreement or under the GATT insofar as it is not inconsistent with this Agreement; or

(c) necessary to administer restrictions in conformity with this Agreement or under the GATT insofar as it is not inconsistent with this Agreement.

2. Each Party shall answer within thirty days all reasonable inquiries from the other Party with regard to criteria employed by its respective licensing authorities in granting or denying import licenses. In addition, the Parties recognize the desirability of publication of such criteria.

3. The Parties shall provide each other with a list of items subject to licensing requirements which shall specify whether each item is entitled to automatic or non-automatic import licensing. Notification of changes in this list shall be made on a timely

basis and shall include a justification for each addition.

4. If an import license is denied for an item specified in the list prepared pursuant to paragraph 3 as being entitled to automatic licensing, then such item shall be considered to be subject to non-automatic licensing. Notification and justification for the action shall be provided within sixty days by the Party which has made such denial.

5. In the administration of automatic and non-automatic licensing requirements, the Parties shall adhere to the provisions of the Agreement on Import Licensing Procedures. For the purposes of this Agreement the reporting requirements provided in the Agreement on Import Licensing Procedures between the Contracting Parties of said agreement shall only apply to the United States and Israel.

ARTICLE 13

[TRADE-RELATED PERFORMANCE REQUIREMENTS]

Neither Party shall impose, as a condition of establishment, expansion or maintenance of investments by nationals or companies of the other Party, requirements to export any amount of production resulting from such investments or to purchase locally-produced goods and services. Moreover, neither Party shall impose requirements on investors to purchase locally-produced goods and services as a condition for receiving any type of governmental incentives.

ARTICLE 14

[INTELLECTUAL PROPERTY]

The Parties reaffirm their obligations under bilateral and multilateral agreements relating to intellectual property rights, including industrial property rights, in effect between the Parties. Accordingly, nationals and companies of each Party shall continue to be accorded national and most favored nation treatment with respect to obtaining, maintaining and enforcing patents of invention, with respect to obtaining and enforcing copyrights, and with respect to rights in trademarks, servicemarks, tradenames, trade labels, and industrial property of all kinds.

ARTICLE 15

[GOVERNMENT PROCUREMENT]

1. The Parties agree to endeavor to eliminate all restrictions relating to government procurement.

2. The United States shall waive all Buy National restrictions with respect to government agency purchases of a contract value of $50,000 or more which would be subject to the Agreement on Government Procurement at the time of entry into force of this Agreement but for the threshold provided for in Article I(1)(b) of the Agreement on Government Procurement.

3. Israel shall waive all Buy National restrictions with respect

to government agency purchases of a contract value of $50,000 or more which would be subject to the Agreement on Government Procurement at the time of entry into force of this Agreement but for the threshold provided for in Article I(1)(b) of the Agreement on Government Procurement and by the Ministry of Defense subject to exceptions comparable in character and extent to those included in the United States' entity list of the Agreement on Government Procurement with regard to the Department of Defense.

4. In implementing paragraphs 2 and 3 of this Article the Parties shall apply the provisions of the Agreement on Government Procurement.

5. Israel shall relax offset requirements on purchases by government agencies other than the Ministry of Defense.

6. The provisions of this Article with respect to offset requirements and to purchases by government agencies other than Israel's Ministry of Defense and the United States Department of Defense shall be effective one year from the date of entry into force of this Agreement. The provisions of this Article with respect to purchases by Israel's Ministry of Defense and the United States Department of Defense shall be effective one year from the entry into force of this Agreement or one year from the completion by Israel of a list of the exceptions referred to in paragraph 3, whichever is later.

7. The Parties agree to consider promptly further trade liberalizing measures in regard to both government procurement and

offset requirements in the context of the Joint Committee established by this Agreement. In particular it is agreed that should the entity coverage of the Agreement on Government Procurement be expanded, priority consideration will be given to expanding this Agreement to apply to those purchases.

ARTICLE 16

[TRADE IN SERVICES]

The Parties recognize the importance of trade in services and the need to maintain an open system of services exports which would minimize restrictions on the flow of services between the two nations. To this end, the Parties agree to develop means for cooperation on trade in services pursuant to the provisions of a Declaration to be made by the Parties.

ARTICLE 17

[JOINT COMMITTEE]

1. A Joint Committee is hereby established to supervise the proper implementation of this Agreement and to review the trade relationship between the Parties.

2. The functions of the Joint Committee shall include, inter alia:

(a) reviewing the general functioning of this Agreement;

(b) holding consultations with respect to any matter affecting the operation and the interpretation of this Agreement, as provided in Article 18;

(c) reviewing the results of this Agreement, the experience gained during its functioning, and the objectives defined therein, and considering ways of improving trade relations between the Parties, including possible improvements in this Agreement. The adoption of any amendments shall be subject to the domestic legal requirements of both Parties;

(d) reviewing the Declaration on Trade in Services.

3. (a) The Joint Committee shall be composed of representatives of the Parties and shall be headed by the United States Trade Representative and Israel's Minister of Industry and Trade or their designees.

(b) The Joint Committee may establish working groups and delegate its powers to them.

4. Each party shall preside in turn over the Joint Committee, which shall convene at least once a year in regular session in order to review the general functioning of the Agreement. Special meetings of the Joint Committee shall also be convened within 21 days at the request of either Party. Regular sessions of the Joint Committee shall be held alternately in the two countries. The Joint Committee shall establish its own rules of procedure.

ARTICLE 18

[NOTICE AND CONSULTATION]

1. (a). Before either Party takes any trade measure with respect to products traded between the Parties, it shall provide prior written notice to the other Party as far in advance as may be practicable. The notice shall include a description of the circumstances leading to the proposed action.

(b). Before either Party commits itself to take any action, unilaterally or by agreement, which would reduce the barriers to trade applicable to third countries, including those with whom that Party intends to enter into a customs union, free trade area, arrangement for frontier trade or those to whom that Party intends unilaterally to grant trade concessions, it shall provide prior written notice to the other Party as far in advance as may be practicable.

2. If the Party affected by the proposed measure referred to in paragraph 1 requests consultations with regard to such measures, the Party proposing the measure shall afford adequate opportunity for consultations regarding the proposed measures.

3. In special circumstances, where delay or prior notice would cause damage which would be difficult to remedy, action may be taken without prior notice or consultation, provided that notice

and an opportunity to consult in accordance with paragraphs 1 and 2 are provided as soon thereafter as practicable.

ARTICLE 19

[DISPUTE SETTLEMENT]

1. (a). Whenever a dispute arises concerning the interpretation of this Agreement, or whenever a Party considers that the other Party has failed to carry out its obligations under this Agreement, the dispute settlement mechanism described in this Article may be invoked. In addition, the dispute settlement mechanism may also be invoked if one Party considers that measures taken by the other Party, including a violation of the Annex on subsidies, severely distort the balance of trade benefits accorded by this Agreement or substantially undermine fundamental objectives of this Agreement. This paragraph shall not apply to the imposition of antidumping or countervailing duties.

(b). When a dispute arises, the Parties shall make every attempt to arrive at a mutually agreeable resolution through consultations.

(c). If the Parties fail to resolve the dispute through consultations, either Party may refer the matter to the Joint Committee, which shall be convened and shall endeavor to resolve the dispute.

(d). If a dispute referred to the Joint Committee has not been resolved within a period of sixty days after the dispute was referred to it, or within such longer period as the Joint Committee has agreed upon, either Party may refer the matter to a conciliation panel. The conciliation panel shall be composed of three members: each Party shall appoint, within fifteen days of the date of referral, one member, and the two appointees shall choose, within forty-five days of the date of referral, a third who will serve as the chairman. The panel shall establish its own rules of procedure.

(e). The panel shall endeavor to resolve the dispute through agreement of the Parties. If the panel fails to reach such a resolution, it shall, within three months after the first member is appointed, present to the Parties a report containing findings of fact, its determination as to whether either Party has failed to carry out its obligations under the Agreement or whether a measure taken by either Party severely distorts the balance of trade benefits accorded by this Agreement or substantially undermines the fundamental objectives of this Agreement, and a proposal on the settlement of the dispute. The report of the panel shall be non-binding.

(f) If the conciliation panel under this Agreement or any other applicable international dispute settlement mechanism has been invoked by either Party with respect to any matter, the mechanism invoked shall have exclusive jurisdiction over that matter.

2. After a dispute has been referred to a panel and the panel has presented its report the affected Party shall be entitled

to take any appropriate measure.

ARTICLE 20

[SPECIFIC DUTIES]

1. In the event that the value of the currency of the United States of America, measured in Special Drawing Rights of the International Monetary Fund, decreases by more than twenty percent, specific duties and charges imposed by the United States of America and expressed in the currency of the United States of America may be increased by no more than the amount needed to maintain the value of the specific duty in accordance with Annex 1, measured in Special Drawing Rights. The first such adjustment shall be calculated from the last adjustment prior to January 1, 1985. Subsequent adjustments shall be calculated from the date of the most recent increase in specific duties.

2. In the event that the value of the currency of Israel, measured against the currency of the United States of America, decreases by more than twenty percent, specific duties and charges imposed by Israel and expressed in the currency of Israel may be increased by no more than the amount needed to maintain the value of the specific duty in accordance with Annex 2, measured against the currency of the United States of America. The first such adjustment shall be calculated from the last adjustment prior to January 1, 1985. Subsequent adjustments shall be calculated from the date of the most recent increase in specific duties.

ARTICLE 21

[NOMENCLATURE CHANGES]

In the event that either Party changes its tariff schedules, it shall so notify the other Party. In the case of a change other than a major revision that change shall not adversely affect the tariffs applicable to any product as set forth in Annexes 1 and 2 of this Agreement. In the case of a major revision the balance of tariff concessions set forth in Annexes 1 and 2 shall be preserved. The Joint Committee shall modify the tariff nomenclature of the relevant annexes to conform to such change.

ARTICLE 22

[ENTRY INTO FORCE]

1. The entry into force of this Agreement will be subject to the completion of necessary domestic legal procedures by each Party.

2. This Agreement shall enter into force on the date on which both Parties have provided written notification to each other that such procedures have been completed.

ARTICLE 23

[TERMINATION]

1. The Agreement shall remain in force unless terminated in conformity

with paragraph 2.

2. Either Party may terminate this Agreement by written notification to the other Party. This Agreement shall expire twelve months after the date of such notification.

In Witness Whereof, the respective representatives, having been duly authorized, have signed this Agreement.

Done in duplicate, in the English and Hebrew languages, both equally authentic, at Washington, D.C., this twenty-second day of April, 1985, which corresponds to the First day of Iyar, 5745.

William E. Brock

FOR THE GOVERNMENT OF
THE UNITED STATES OF AMERICA

Ariel Sharon

FOR THE GOVERNMENT OF
ISRAEL

ANNEX 1

Implementation of Duty-Free Treatment for United States Imports of Products of Israel

Notes:

A. The product descriptions and the articles provided for in each of the tariff items listed in this annex are the product descriptions and articles provided for in the same numbered item or statistical subdivision(s) of such item in the 1985 edition of the Tariff Schedules of the United States Annotated (TSUSA), as published on November 16, 1984, and effective January 1, 1985.

B. Notwithstanding the provisions of paragraphs 2 and 3 below, to simplify the computation of the amount of duty imposed the rates of duty provided for in subparagraphs 2b and 3a, b, c, d, e, f, and g shall be rounded to the nearest 0.1 percent ad valorem or, if the rate of duty is expressed in monetary units, to the nearest 0.1 cent, in accordance with the following rule:

The rate of duty shall be rounded up to the nearest 0.1 percent or 0.1 cent if the rate of duty provided for in paragraph 2 or 3 has the number 5 or above as the second digit to the right of the decimal point; the rate of duty shall be rounded down to the nearest 0.1 percent or 0.1 cent if the rate of duty provided for in paragraph 2 or 3 has the number 4 or below as the second digit to the right of the decimal point.

1. Articles not covered by the provisions of paragraphs 2, 3, or 4 below shall be free of duty effective Sepetember 1, 1985.

2. Articles provided for in the items included in List A shall be subject to the following tariff treatment:

a) Effective September 1, 1985, the rate of duty listed opposite the item;

b) Effective January 1, 1987, a rate of duty which is 40 percent of the listed rate;

c) Effective January 1, 1989, free of duty.

3. Articles provided for in the items included in List B shall be subject to the following tariff treatment:

a) Effective September 1, 1985, a rate of duty which is 80 percent of the TSUS column 1 rate of duty on that date.

b) Effective January 1, 1986, a rate of duty which is 70 percent of the TSUS column 1 rate of duty on that date.

c) Effective January 1, 1987, a rate of duty which is 60 percent of the TSUS column 1 rate of duty on that date.

d) Effective January 1, 1988, a rate of duty which is 50 percent of the TSUS column 1 rate of duty on that date.

e) Effective January 1, 1989, a rate of duty which is 40 percent of the TSUS column 1 rate of duty on that date.

f) Effective January 1, 1990, a rate of duty which is 30 percent of the TSUS column 1 rate of duty on that date.

g) Effective January 1, 1992, a rate of duty which is 10 percent of the TSUS column 1 rate of duty on that date.

h) Effective January 1, 1995, free of duty.

4. Articles provided for in the items included in List C shall be subject to the TSUS column 1 rate of duty for the respective item until January 1, 1990. The rates of duty to be applied on and after January 1, 1990, shall be determined after consultations between the Governments of Israel and the United States. Effective January 1, 1995, all such articles shall be free of duty.

List A to Annex 1

The symbol "%" indicates percent ad valorem.
The symbol "/" indicates per stated unit of quantity.

TSUS or TSUSA item number	Rate of duty	TSUS or TSUSA item number	Rate of duty
100.35	12%	117.60	6.4%
100.79	8%	117.70	12%
		117.75	4¢/lb.
105.50	4¢/lb.	117.81	16%
105.55	10%	117.88	8%
106.75	8%	118.05	1.2¢/lb.
		118.10	16%
107.45	8%	118.15	16%
107.62	8%	118.25	16%
		118.30	14%
112.34	10%	118.35	8%
112.50	10%		
112.52	10%	119.50	2.8¢/doz.
112.54	12%	119.55	2.8¢/doz.
112.58	9.2%	119.65	21.6¢/lb.
112.62	16%	119.70	4.4¢/lb.
112.66	16%		
112.71	9.2%	123.50	8%
112.73	12%		
112.74	24%	130.37	20¢/bu. of 56 lbs.
112.80	9.2%		
112.82	12%	131.25	8%
112.86	20%	131.45	16%
112.90	28%	131.80	8%
		131.85	16%
113.20	8%		
113.25	12%	132.30	12%
113.30	12%		
		135.10	2.8¢/lb.
114.04	14%	135.51	10%
114.20	8.8%	135.90	1.8¢/lb.
		135.95	2.4¢/lb.
116.30	5.6¢/lb.	135.97	2.4¢/lb.
		135.99	1.2¢/lb.
117.00	12%		
117.05	16%	136.80	20%
117.15	12%		
117.20	16%	137.75	10%
117.25	12%	137.78	10%
117.35	8%	137.79	20%
117.42	20%	137.80	10%
117.44	19%	137.88	10%
117.50	8%		
117.55	15%	138.35	14%

TSUS or TSUSA item number	Rate of duty
138.41	14%
138.46	14%
140.76	10.4%
141.60	9.5%
141.82	10%
141.86	10%
141.93	14%
144.10	4¢/lb. + 20%
144.20	2.6¢/lb. on drained weight + 8%
145.18	4¢/lb.
145.55	12¢/lb.
145.65	14%
145.70	22.4%
146.24	28%
146.70	11.2%
146.78	11.2%
146.83	10%
146.86	11.2%
146.93	4.8¢/lb.
146.96	7.6¢/lb.
146.99	5.6¢/lb. + 8%
147.19	1¢/lb.
147.22	0.8¢/lb.
147.26	14%
147.31	0.8¢/lb.
147.36	17.5%
147.54	9.6%
147.77	7%
148.03	3¢/lb.
148.06	3¢/lb.
148.25	16%
148.28	16%
148.35	17.5%
148.77	8%
148.78	16%
148.86	14.4%
149.28	14%
149.60	7%
150.02	7%
150.05	14%
152.05	12%
152.42	12.5%
152.50	4¢/lb.
152.60	12%
152.65	14%
152.78	12%
154.05	5.6¢/lb. + 8%
154.53	8%
154.60	16%
155.60	1.3¢/lb.
155.65	1.3¢/lb.
161.05	8%
161.06	12.8%
161.08	12.8%
165.25	8¢/gal.
165.44	16¢/gal.
167.10	94¢/gal.
167.20	20.8¢/gal. + $1.48/proof gallon on ethyl alcohol content
167.30	30¢/gal.
167.32	50¢/gal.
168.09	$2.28/proof gallon
168.74	$3.40/proof gallon
168.76	$1.25/proof gallon
168.80	50¢/proof gallon
169.08	50¢/proof gallon
169.13	$1.40/proof gallon
169.14	$1.40/proof gallon
169.22	25¢/proof gallon
169.31	$2.27/proof gallon
169.32	$1.25/proof gallon
169.37	$2.56/proof gallon
169.47	$1.25/proof gallon
169.49	$1.25/proof gallon
170.01	$1.82/lb.
170.20	36¢/lb.
170.25	$1.24/lb.
170.32	10.2¢/lb.
170.35	20¢/lb.
170.40	12.9¢/lb.

TSUS or TSUSA item number	Rate of duty
170.55	44¢/lb.
170.60	12.9¢/lb.
170.72	$1.53/lb. + 8.4%
176.14	1.2¢/lb.
176.52	18%
177.52	1.6¢/lb.
177.67	8%
178.30	8%, but not less than the rate applicable to component material subject to the highest rate of duty
182.10	8%
182.92	16%
183.00	8%
183.01	8%
183.05	8%
186.20	12%
186.60	8.8%
188.30	20¢/lb.
190.25	7.7%
192.30	72¢/lb.
200.95	7.6%
204.05	7.7%
204.30	13.3%
204.40	6.7%
206.65	13.3%
220.50	14.4%
222.40	10%
222.42	10%
240.10	8%
240.19	8%
240.21	16%
240.25	8%

TSUS or TSUSA item number	Rate of duty
240.30	8%
240.50	8.2%
245.30	6%
309.3130	10%
310.1109	8.9%
310.40	11%
319.07	6%
355.25	12.5%
363.01	23.8%
365.72	12.8%
365.76	12.8%
365.7817	12.8%
365.8660	12.8%
366.1855	10.5%
366.1865	10.5%
366.1880	10.5%
366.2160	13.5¢/lb.
366.2180	13.5¢/lb.
366.24	10.5%
366.2780	10.5%
366.65	7.2%
367.6035	8.5%
374.05	20%
374.10	20%
374.15	20%
374.20	20%
374.25	20%
374.30	20%
374.40	14.4%
374.50	12%
374.55	6.5%
376.54	6.6%
376.56	7.6%
378.05	17%
378.10	10%
378.20	6.5%
378.35	6%
378.40	8%

TSUS or TSUSA item number	Rate of duty
378.45	6.5%
378.70	5.8%
379.0405	14%
379.0410	14%
379.0415	14%
379.0418	14%
379.0425	14%
379.0427	14%
379.0429	14%
379.0440	14%
379.0480	14%
379.0610	21%
379.2610	35%
379.2620	35%
379.2630	35%
379.35	8%
379.39	16.5%
379.4020	16.8%
379.4030	16.8%
379.4110	8%
379.4120	8%
379.4130	8%
379.4132	8%
379.4137	8%
379.4141	8%
379.4143	8%
379.4150	8%
379.4190	8%
379.4320	8%
379.4615	6.4%
379.4640	6.4%
379.4670	6.4%
379.5545	16.8%
379.6405	8%
379.6410	8%
379.6420	8%
379.6430	8%
379.6440	8%
379.6443	8%
379.6446	8%
379.6447	8%
379.6450	8%
379.6485	8%
379.8906	30%
379.8930	30%
379.9010	13¢/lb. + 32.5%
379.9020	13¢/lb. + 32.5%
379.9025	13¢/lb. + 32.5%
379.9030	13¢/lb. + 32.5%
379.9555	14¢/lb. + 27.5%
379.9605	17%
379.9610	17%
379.9615	17%
379.9620	17%
379.9625	17%
379.9630	17%
379.9636	17%
379.9638	17%
379.9642	17%
379.9644	17%
379.9646	17%
379.9648	17%
379.9655	17%
379.9660	17%
379.9663	17%
379.9665	17%
379.9690	17%
383.0295	21%
383.0305	14%
383.0306	14%
383.0330	14%
383.0335	14%
383.0340	14%
383.0343	14%
383.0345	14%
383.0347	14%
383.0350	14%
383.0396	14%
383.0606	21%
383.0622	21%
383.0624	21%
383.0626	21%
383.0629	21%
383.0631	21%
383.0633	21%
383.0634	21%
383.0636	21%
383.0638	21%
383.0640	21%
383.0657	21%
383.0680	21%
383.0805	14%
383.0810	14%
383.0815	14%
383.0820	14%
383.0825	14%
383.0826	14%

TSUS or TSUSA item number	Rate of duty
383.0828	14%
383.0831	14%
383.0833	14%
383.0836	14%
383.0838	14%
383.0841	14%
383.0844	14%
383.0850	14%
383.0852	14%
383.0854	14%
383.0865	14%
383.0868	14%
383.0870	14%
383.0872	14%
383.0873	14%
383.0896	14%
383.1902	30%
383.1904	30%
383.1906	30%
383.1909	30%
383.1911	30%
383.1913	30%
383.1915	30%
383.1920	30%
383.1922	30%
383.1924	30%
383.1926	30%
383.1928	30%
383.1950	30%
383.2005	17%
383.2007	17%
383.2009	17%
383.2011	17%
383.2013	17%
383.2014	17%
383.2016	17%
383.2020	17%
383.2025	17%
383.2030	17%
383.2035	17%
383.2040	17%
383.2044	17%
383.2045	17%
383.2046	17%
383.2047	17%
383.2049	17%
383.2051	17%
383.2052	17%
383.2056	17%
383.2058	17%
383.2090	17%
383.2305	17%
383.2310	17%
383.2315	17%
383.2320	17%
383.2325	17%
383.2327	17%
383.2329	17%
383.2331	17%
383.2333	17%
383.2340	17%
383.2351	17%
383.2368	17%
383.2369	17%
383.2370	17%
383.2374	17%
383.2381	17%
383.25	8%
383.2722	16.8%
383.2724	16.8%
383.2726	16.8%
383.2728	16.8%
383.2730	16.8%
383.2732	16.8%
383.2736	16.8%
383.2738	16.8%
383.2807	16.5%
383.2809	16.5%
383.2826	16.5%
383.2828	16.5%
383.2835	16.5%
383.2838	16.5%
383.2842	16.5%
383.2844	16.5%
383.2850	16.5%
383.29	12%
383.3010	8%
383.3020	8%
383.3030	8%
383.3032	8%
383.3034	8%
383.3036	8%
383.3037	8%
383.3038	8%
383.3040	8%
383.3060	8%
383.3062	8%
383.3064	8%
383.3066	8%

TSUS or TSUSA item number	Rate of duty
383.3067	8%
383.3068	8%
383.3080	8%
383.3085	8%
383.3096	8%
383.34	6.4%
383.36	8%
383.3770	6.4%
383.39	9%
383.40	6.4%
383.42	8%
383.43	6.4%
383.4724	13.2%
383.4726	13.2%
383.4753	13.2%
383.4754	13.2%
383.4756	13.2%
383.4757	13.2%
383.4758	13.2%
383.4760	13.2%
383.4761	13.2%
383.4762	13.2%
383.4764	13.2%
383.4765	13.2%
383.4770	13.2%
383.4814	12%
383.4816	12%
383.4821	12%
383.4823	12%
383.4825	12%
383.49	6.5%
383.5010	8%
383.5012	8%
383.5014	8%
383.5016	8%
383.5020	8%
383.5026	8%
383.5027	8%
383.5028	8%
383.5029	8%
383.5032	8%
383.5033	8%
383.5034	8%
383.5037	8%
383.5051	8%
383.5058	8%
383.5059	8%
383.5064	8%
383.5068	8%
383.5074	8%
383.5094	8%
383.5096	8%
383.5097	8%
383.5098	8%
383.5099	8%
383.5204	5%
383.5208	5%
383.5212	5%
383.5216	5%
383.5222	5%
383.5224	5%
383.5227	5%
383.5234	5%
383.5238	5%
383.5242	5%
383.5252	5%
383.5253	5%
383.5254	5%
383.5257	5%
383.5264	5%
383.5268	5%
383.5272	5%
383.5276	5%
383.5282	5%
383.5283	5%
383.5285	5%
383.5373	3%
383.5374	3%
383.5375	3%
383.5377	3%
383.5378	3%
383.5379	3%
383.5380	3%
383.5381	3%
383.5383	3%
383.5384	3%
383.5385	3%
383.5387	3%
383.5389	3%
383.5390	3%
383.5391	3%
383.5393	3%
383.5396	3%
383.5397	3%
383.5399	3%
383.78	7.5%
383.8028	13¢/lb. + 32.5%
383.8030	13¢/lb. + 32.5%
383.81	30%
383.86	17%
383.9070	17¢/lb. + 27.5%

TSUS or TSUSA item number	Rate of duty
383.9203	17%
383.9215	17%
383.9225	17%
383.9230	17%
383.9235	17%
383.9240	17%
383.9242	17%
383.9243	17%
383.9245	17%
383.9246	17%
383.9262	17%
383.9264	17%
383.9267	17%
383.9268	17%
383.9269	17%
383.9276	17%
383.9296	17%
383.9506	4%
383.9508	4%
383.9510	4%
383.9517	4%
383.9519	4%
383.9521	4%
383.9523	4%
383.9527	4%
383.9529	4%
386.11	10%
386.5042	7%
389.62	9%
402.20	1.3¢/lb. + 12.5%
402.40	7.6%
402.44	9.5%
402.48	7.8%
402.52	10.4%
402.54	10.4%
402.60	7.4%
402.68	15.2%
402.76	7.6%
402.84	10%
402.88	15%
403.29	20%
403.32	7.2%
403.49	1.7¢/lb. + 13.7%
403.76	10.6%
404.00	7.5%
404.20	1.3¢/lb. + 13.1%
404.38	13.5%
404.48	7.2%
404.60	1.7¢/lb. + 13.6%
404.64	10.5%
404.88	1.1¢/lb. + 18.8%
404.96	7.8%
405.02	1.7¢/lb. + 15.6%
405.07	1.7¢/lb. + 15.6%
405.16	7.2%
405.31	1.7¢/lb. + 18.1%
405.36	7.3%
405.44	7.2%
405.68	19.9%
405.70	13.5%
405.72	7.2%
405.80	1.3¢/lb. + 16.2%
405.85	1.7¢/lb. + 12.5%
405.88	7.3%
406.24	7.8%
406.28	0.4¢/lb. + 12.5%
406.37	1.7¢/lb. + 16.2%
406.39	1.7¢/lb. + 16.2%
406.44	17.5%
406.52	7.4%
406.56	1.7¢/lb. + 18%
406.64	0.1¢/lb. + 18.7%
406.68	0.1¢/lb. + 19.8%
406.72	1.5¢/lb. + 10%
406.76	0.9¢/lb. + 12.5%
406.81	1.1¢/lb. + 12.5%
406.82	1.7¢/lb. + 12.5%
406.83	1.7¢/lb. + 12.5%
406.96	1¢/lb. + 15.6%
407.09	7.4%, but not less than the highest rate applicable to any component material
407.14	1.7¢/lb. + 12.5%
407.16	1.7¢/lb. + 13.6%, but not less than the highest rate applicable to any component material

TSUS or TSUSA item number	Rate of duty
408.00	8.9%
408.22 pt. 1/	13.5%
408.32	10.7%
408.41	8.5%
408.76	7.6%
409.30	7.7%
409.38	8.2%
409.42	14.3%
409.46	1.5¢/lb. + 14%
409.50	1.5¢/lb. + 14.4%
409.54	20%
409.58	14.2%
409.62	9.2%
409.66	20%
409.68	15%
409.70	9%
409.74	20%
409.76	15%
409.78	9.5%
409.82	20%
409.84	15%
409.86	9%
409.90	20%
409.92	15%
409.94	8.1%
409.96	8.2%
410.00	20%
410.02	15%
410.04	8.3%
410.08	20%
410.10	15%
410.12	8.4%
410.16	20%
410.18	15%
410.19	9%
410.20	20%
410.22	15%
410.24	20%
410.28	8.3%
410.32	20%
410.34	15%
410.36	12.5%
410.40	12.5%
410.44	14%

TSUS or TSUSA item number	Rate of duty
410.48	10.8%
410.52	7.2%
410.56	8.6%
410.66	8.7%
410.72	10.2%
410.76	7.2%
410.80	7.6%
410.84	10%
411.12	7.4%
411.24	8%
411.26	11.6%
411.72	7.4%
411.80	15%
411.82	10.8%
411.87	10.8%
411.91	8.1%
412.52	7.8%
412.56	16.2%
412.72	9.1%
412.80	23.5%
412.84	18.9%
412.88	11.8%
412.92	16.3%
413.04	12.2%
413.12	9.4%
413.16	8.4%
413.20	16.3%
413.30	11.9%
413.32	20%
413.36	15.7%
413.50	10%
413.51	10%, but not less than the highest rate applicable to any component material
416.40	10.5%
416.45	4.2%
417.40	10%
417.42	11.2%

1/ Only a,a,a-Trifluoro-2,6-dinitro-N,N-dipropyl-p-toluidine (Trifluralin).

TSUS or TSUSA item number	Rate of duty
418.30	10%
418.40	7.2%
418.42	7.2%
418.44	7.2%
420.32	10%
420.34	11.2%
421.06	14%
421.14	8.6%
421.56	10%
421.60	11.2%
422.10	7.8%
422.12	7.8%
422.14	7.8%
422.40	10.5%
422.42	10%
422.60	12.8%
422.62	12.8%
422.74	14%
423.84	14%
423.92	10%
423.94	7.4%
425.00	11.6%
425.12	11.3%
425.24	3.7%
425.30	12%
426.22	7.2%
426.94	8.4%
426.96	14%
427.14	7.8%
427.22	7.5%
427.24	14%
427.44	20%
427.46	7.2%
427.92	1.3¢/lb.
427.97	18%
428.06	14%
428.30	11.5%
428.34	12%
428.47	12.3%
428.52	15.9%
428.84	9%
428.86	12%
428.94	7.8%
429.24	15.9%
429.26	20%
429.44	12%
429.47	18%
429.48	3.7%
429.70	7.2%
429.95	3.7%
432.25	3.7%, but not less than the highest rate applicable to any component material
437.04	20¢/lb.
437.38	50¢/lb.
437.47	8%
437.74	12%
445.30	12.5%
445.46	10.1%
445.52	12.5%
460.20	8%
460.55	14.4%
460.60	8%
460.70	7.2%
473.40	8%
473.58	12%
473.62	8%
474.02	0.15¢/piece
485.30	7.2%
490.05	7.4%
493.42	12.8%
493.65	8%
493.66	15%
511.31	16.8%
520.61	16.8%
520.75	6%
522.24	13.5%
531.37	9%

TSUS or TSUSA item number	Rate of duty
532.22	20%
532.24	19%
532.27	20%
532.31	10.8%
533.54	8%
534.81	2¢/doz. pcs. + 7%
534.84	7%
534.94	9%
535.21	12%
535.24	8.2%
535.31	7.2%
536.15	8%
540.27	13.6%
540.30	14%
540.43	7.5%
540.47	9.6%
540.55	7.2%
540.65	8.2%
540.67	10%
543.23	2¢/sq. ft.
544.16	7.2%
544.51	7.8%
544.54	8%
544.64	7.2%
545.17	7.5%
545.31	1.6¢ each + 8%
545.34	2.8¢ each + 8%
545.35	4¢ each + 8%
545.37	6¢ each + 8%
545.53	11.2%
545.65	12%
546.18	8.4%
546.23	8%
546.38	10%
546.39	9%
546.47	7.8%
547.13	9.6%
547.55	8.4%
548.03	7.5%
605.03	8.2%
605.05	10%
605.08	8.2%
605.27	7.5%
605.28	8.2%
605.46	7.5%
605.47	10%
605.66	16%
606.42	8%
606.90	8.4%
606.94	8.4%
606.95	8.4%
607.88	8%
607.90	8%
608.43	8.4%
608.49	8.4%
608.57	9.2%
608.64	9.2%
612.61 1-a	7.3%
612.61 1-b	0.5¢/lb. on copper content + 7%
612.70 1-a	7.3%
612.70 1-b	0.5¢/lb. on copper content + 7.2%
612.71 1-a	7.4%
612.71 1-b	0.5¢/lb. on copper content + 0.02¢/lb. + 7%
613.15 1-a	11.2%
613.15 1-b	0.6¢/lb. + 8.8%
624.40	11.9%
624.42	9%
626.04	15.2%
628.55	8%
629.12	7.2%
629.14	15%
629.20	15%
629.28	10.5%
632.30	14%
632.78	32¢/lb.

TSUS or TSUSA item number	Rate of duty
642.25	10%
642.27	7.8%
642.74	7.2%
644.15	7%
644.60	8.2%
646.49	10%
646.88	12.3%
647.10	8%
648.80	12%
648.82	12%
649.23	7.2%
649.43	7.2%
649.44	8.4%
649.53	7%
649.71	10%
649.73	10%
649.75	10%
649.91	8%
650.08	0.8¢ each + 10%
650.10	0.8¢ each + 14%
650.54	13.6%
650.56	7.5%
650.83	8%
650.90	10¢ each + 10%
650.92	10¢ each + 10%
651.01	7.6%
651.07	7.2%
651.13	8.1%
651.62	8.2%
651.75	The rate of duty, if any, applicable to each article in the set
652.55	8%
652.72	8.2%
653.39	7.6%
653.65	8.2%
653.70	7.5%
653.75	8.2%
656.05	8%
656.20	7.5%

TSUS or TSUSA item number	Rate of duty
656.25	10%
656.30	8%
660.74	90¢ each + 14%
661.90	3.9%
668.32	80¢ each + 8%
668.34	8%
670.58	10%
670.62	23¢/1,000 + 8.2%
670.68	7.8%
674.30	5.8%
674.31	4.2%
674.33	4.2%
674.34	4.2%
674.35	4.4%
680.59	50¢ each + 7.7%
680.62	9%
682.20	10%
682.55	10%
683.70	25%
684.15	6.8%
685.16	6%
685.80	8%
686.70	7.9%
687.35	12%
690.15	14.4%
700.05	16%
700.10	8%
700.15	8%
700.20	2%
700.25	13.6%
700.26	13.6¢/pair
700.27	4%
700.29	4%
700.30	4%
700.32	4%
700.35	6.8%
700.41	8%

TSUS or TSUSA item number	Rate of duty
700.43	12%
700.45	8%
700.51	6.6%
700.52	20%
700.53	30%
700.56	4.8%
700.57	37.5%
700.59	37.5%
700.61	37.5%
700.62	90¢/pair + 20%
700.63	20%
700.64	48%
700.67	90¢/pair + 37.5%
700.69	90¢/pair + 20%
700.71	20%
700.72	12%
700.73	8%
700.74	6%
700.75	2.8%
700.80	10%
700.83	6.4%
700.90	7.5%
700.95	10%
702.45	20%
703.20	11%
703.25	9.4%
703.30	8.2%
703.40	22%
703.45	26%
703.50	8.2%
706.05	6.4%
706.07	8%
706.13	8%
706.15	10%
706.19	18%
706.21	18%
706.32	8.4%
706.34	8.4%
706.36	7.2%
706.41	16%
706.44	8.2%
706.45	7.8%
706.47	7.8%
706.50	8.8%
706.55	7.8%
706.61	16%
706.62	16%

TSUS or TSUSA item number	Rate of duty
707.90	8.4%
708.05	8%
708.07	8%
708.10	8.4%
708.21	7%
708.25	8%
708.27	8%
708.30	8.4%
708.41	9%
708.43	7.2%
708.45	7.2%
708.47	7.2%
708.56	16%
708.58	8%
708.63	9%
708.65	The rate applicable to the articles of which the frames and mountings are parts
708.71	8%
708.72	8%
708.73	9%
708.75	9%
708.80	7.2%
708.93	9%
709.01	9%
709.05	10%
709.13	8.4%
709.23	6.4%
709.27	7.9%
709.55	9%
709.56	7.2%
710.06	9%
710.21	10%
710.26	47¢ each + 7.4%
710.27	9%
710.86	7%
710.88	9%
710.90	10%
711.30	8.4%
711.31	17%
711.32	8.4%
711.40	10%
711.75	49¢ each + 7.6%
711.77	9%

TSUS or TSUSA item number	Rate of duty
711.86	10%
711.90	15%
711.93	17%
712.12	10%
712.25	49¢ each + 7.6%
712.27	9%
713.05	30¢ each + 6.4%
713.15	9%
713.17	45¢ each + 7%
715.05	The rates applicable to the cases, plus the rates applicable to the movements, if such cases and movements were imported separately
715.25	5.5¢ each + 6.4% + 2.5¢ for each jewel, if any
715.27	10¢ each + 6.4% + 2.5¢ for each jewel, if any
715.29	15¢ each + 6.4% + 2.5¢ for each jewel, if any
715.31	30¢ each + 6.4% + 2.5¢ for each jewel, if any
715.33	45¢ each + 6.4% + 2.5¢ for each jewel, if any
715.45	5.5¢ each + 6.4% + 2.5¢ for each jewel, if any
715.47	10¢ each + 6.4% + 2.5¢ for each jewel, if any
715.49	15¢ each + 6.4% + 2.5¢ for each jewel, if any
715.51	30¢ each + 6.4% + 2.5¢ for each jewel, if any
715.55	45¢ each + 7% + 2.5¢ for each jewel, if any
715.57	45¢ each + 7% + 2.5¢ for each jewel, if any
715.60	5.5¢ each + 6.4% + 2.5¢ for each jewel, if any
715.68	45¢ each + 6.4% + 2.5¢ for each jewel, if any
716.09	36¢ each
716.17	72¢ each
716.37	$1.80 each + 9¢ for each jewel over 7
716.40	90¢ each + 9¢ for each jewel over 7
719.--	Column 1 base rate + 35¢ each, if self-winding + 35¢ each adjustment
720.02	30¢ each
720.10	5.5¢ each + 6.4% + 2.5¢ for each jewel, if any
720.12	10¢ each + 6.4% + 2.5¢ for each jewel, if any
720.14	15¢ each +6.4% + 2.5¢ for each jewel, if any
720.16	30¢ each + 6.4% + 2.5¢ for each jewel, if any
720.18	45¢ each + 6.4% + 2.5¢ for each jewel, if any
720.21	8%
720.22	8%
720.32	7.4%
720.40	0.5¢ each + 9%
720.44	10%
720.75	9%
720.84	13% + 5¢ for each jewel (if any) + 0.6¢ for each other piece or part
720.86	6.4% + 2.5¢ for each jewel (if any) + 0.3¢ for each other piece or part
720.90	11%
720.92	10%
720.94	6.4%
721.05	9%
722.14	6.8%
722.40	7%
722.44	7%
722.46	7%
722.50	7%
722.52	7.8%

TSUS or TSUSA item number	Rate of duty
722.55	9%
724.20	0.2¢/lin.ft.
724.35	0.2¢/lin.ft.
725.08	7%
725.20	12%
725.46	6.8%
725.47	6.8%
726.20	8.2%
726.55	6.6%
727.11	7.5%
727.13	7.5%
727.14	7.5%
727.45	7%
730.15	40¢ each + 11%
730.23	8.1%
730.25	9.1%
730.29	7.5%
730.37	10%
730.39	8.4%
730.61	8.4%
730.80	8.4%
730.85	7.8%
731.15	7.6%
731.20	9.2%
731.30	7%
731.65	9%
731.70	9%
732.02	12%
732.06	8.8%
732.08	12%
732.12	8.8%
732.14	8.8%
732.21	7.2%
732.24	8.8%
732.26	12%
732.30	7.2%
732.42	10%
732.43	7.8%
734.05	8.2%
735.10	7.8%
737.15	7.8%
737.40	7%
737.60	6.4%
740.75	8%
741.10	8%
741.40	8%
745.10	11%
745.50	10%
745.52	8.2%
745.56	9%
745.61	11%
745.62	11%
745.67	11%
748.15	7%
748.20	8.4%
748.32	8.8%
748.36	10%
750.10	7.8%
750.22	11%
750.25	8.1%
750.27	9.6¢ each
750.29	8%
750.32	10%
750.45	0.2¢ each + 7%
750.80	7.5%
751.20	12%
751.25	7.5%
755.20	7.5%
755.30	6.9%
756.02	7.2%
756.04	10%
756.06	9%
756.15	10%
756.21	1¢ each + 16%
756.23	0.5¢ each + 8%
756.40	7%
756.50	7.8%
760.10	6.6%
760.15	8%
760.34	40¢/1,000 + 7%
770.45	8.1%

TSUS or TSUSA item number	Rate of duty
771.05	1.5¢/lb.
772.57	12%
773.20	10.5%
774.35	11.6%
790.00	6.4%
790.25	13.6%
790.59	9%
790.61	8.7%
790.62	8.7%
790.63	9%
791.05	7.4%
792.26	7.7%
869.00	8%

List B to Annex 1

TSUS or TSUSA item number

141.76
141.92

146.30

147.03
147.07
147.15

300.60

301.01
301.02
301.03
301.04
301.05
301.06
301.07
301.08
301.09
301.10
301.11
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301.16
301.17
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301.35
301.36
301.37

TSUS or TSUSA item number

301.38
301.39
301.40
301.41
301.42
301.43
301.44
301.45
301.46
301.47
301.48
301.49
301.50
301.51
301.52
301.53
301.54
301.55
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301.57
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301.59
301.60
301.70
301.80
301.82
301.84
301.86
301.88
301.92
301.94
301.96
301.98

302.—

303.10
303.20

305.04
305.06
305.08
305.09
305.10
305.12
305.14
305.16
305.18

TSUS or TSUSA item number

305.20
305.22
305.28
305.30
305.40
305.50

307.30
307.50
307.52
307.62
307.66
307.6820
307.6830
307.6840
307.6850

308.60
308.65
308.66
308.70
308.71
308.75
308.80
308.90

309.02
309.03
309.05
309.06
309.10
309.20
309.21
309.25
309.28
309.29
309.30
309.3110
309.3140
309.3150
309.3165
309.35
309.41
309.50
309.60
309.65
309.66
309.70

TSUS or TSUSA item number

309.75
309.80
309.90
309.98
309.99

310.01
310.05
310.06
310.10
310.1106
310.1110
310.1114
310.1135
310.1150
310.1155
310.1170
310.20
310.21
310.50
310.60
310.80
310.90
310.9140

315.05
315.10
315.15
315.25
315.30
315.35
315.40
315.45
315.55
315.75
315.80
315.85
315.90
315.95

316.05
316.10
316.20
316.25
316.30
316.40
316.50
316.55

TSUS or TSUSA
item number

316.58
316.70

319.21 1/
319.23 1/
319.25 1/
319.27
319.29

320.01 1/
320.02 1/
320.03 1/
320.04 1/
320.05 1/
320.06 1/
320.07 1/
320.08 1/
320.09 1/
320.10 1/
320.11 1/
320.12 1/
320.13 1/
320.14 1/
320.15 1/
320.16 1/
320.17 1/
320.18 1/
320.19 1/
320.20 1/
320.21 1/
320.22 1/
320.23 1/
320.24 1/
320.25 1/
320.26 1/
320.27 1/
320.28 1/
320.29 1/
320.30 1/
320.31 1/
320.32 1/
320.33 1/
320.34 1/
320.35 1/
320.36 1/
320.37 1/

TSUS or TSUSA
item number

320.38 1/
320.39 1/
320.40 1/
320.41 1/
320.42 1/
320.43 1/
320.44 1/
320.45 1/
320.46 1/
320.47 1/
320.48 1/
320.49 1/
320.50 1/
320.51 1/
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320.67 1/
320.68 1/
320.69 1/
320.70 1/
320.71 1/
320.72 1/
320.73 1/
320.74 1/
320.75 1/
320.76 1/
320.77 1/
320.78 1/
320.79 1/
320.80 1/
320.82 1/
320.84 1/
320.86 1/

TSUS or TSUSA
item number

320.88 1/
320.92 1/
320.94 1/
320.96 1/
320.98 1/

321.—

322.—

323.—

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330.—

331.—

332.10
332.4020

335.55
335.60
335.70
335.75
335.85
335.95

336.10
336.15
336.20
336.25
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336.35
336.40
336.50

TSUS or TSUSA
item number

336.55
336.62
336.64

337.50
337.55
337.60
337.68
337.80
337.90

338.10
338.25
338.27
338.40
338.50

339.05
339.10

345.30
345.35
345.5011
345.5015
345.5018
345.5031
345.5033
345.5035
345.5037
345.5051
345.5053
345.5055
345.5057
345.5071
345.5075
345.5077
345.60

346.05
346.10
346.20
346.22
346.24
346.30
346.32
346.40

1/ Effective September 1, 1985, the minimum rate of duty provided for this item in headnote 4 of TSUS schedule 3, part 3, subpart A shall not be applicable to imports of products of Israel.

TSUS or TSUSA
item number

346.45
346.50
346.52
346.56
346.6010
346.6030
346.6065
346.65
346.70
346.80
346.82
346.86
346.90
346.95

347.10
347.15
347.20
347.26
347.28
347.30
347.33
347.35
347.40
347.45
347.50
347.55
347.60
347.65
347.68
347.69
347.72
347.75

348.00
348.05

349.10
349.15
349.25
349.30

350.00

351.05
351.10
351.20
351.25
351.30
351.40
351.44

TSUS or TSUSA
item number

351.46
351.50
351.60
351.70
351.80
351.90

352.10
352.20
352.30
352.40
352.50
352.80

353.10
353.50

355.02
355.04
355.15
355.16
355.18
355.20
355.35
355.42
355.45
355.50
355.55
355.60
355.65
355.70
355.75
355.81
355.82
355.85

356.05
356.10
356.15
356.20
356.30
356.35
356.45
356.70
356.80

357.05
357.10
357.15
357.20
357.30

TSUS or TSUSA
item number

357.35
357.40
357.45
357.60
357.70
357.80
357.90
357.95

358.05
358.06
358.08
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358.35
358.40
358.50
358.60

359.10
359.20
359.30
359.40
359.50
359.60

360.04
360.06
360.10
360.1520
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360.35
360.36
360.40
360.4445
360.65
360.70
360.76
360.77
360.78
360.79
360.81
360.82
360.84

TSUS or TSUSA
item number

361.05
361.07
361.10
361.18
361.21
361.23
361.24
361.26
361.42
361.43
361.45
361.46
361.48
361.50
361.53
361.54
361.5610
361.5620
361.5630
361.5660
361.80
361.85

363.02
363.10
363.15
363.20
363.25
363.35
363.40
363.50
363.5115
363.55
363.60
363.65
363.70
363.75
363.80
363.90

364.07
364.09
364.13
364.14
364.16
364.18
364.20
364.21
364.25
364.35

TSUS or TSUSA
item number

365.00
365.05
365.11
365.14
365.15
365.20
365.25
365.29
365.31
365.35
365.40
365.45
365.50
365.68
365.74
365.77
365.7815
365.7825
365.7855
365.7865
365.80
365.81
365.83
365.84
365.8610
365.8620
365.8640
365.8670
365.8680
365.91

366.06
366.09
366.12
366.15
366.1820
366.1840
366.2120
366.2140
366.2720
366.2740
366.2760
366.30
366.33
366.36
366.39
366.42
366.45
366.46
366.47
366.48

TSUS or TSUSA
item number

366.51
366.54
366.57
366.60
366.63
366.69
366.72
366.75
366.77
366.79
366.81
366.84

367.05
367.10
367.15
367.20
367.25
367.28
367.31
367.3428
367.35
367.40
367.45
367.50
367.55
367.59
367.6025
367.6040
367.6080
367.65

370.04
370.08
370.12
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370.19
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370.22
370.24
370.28
370.32
370.36
370.40
370.44
370.48
370.52
370.56
370.60
370.64

TSUS or TSUSA
item number

370.68
370.72
370.76
370.80
370.84
370.88
370.92

372.04
372.06
372.08
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372.65
372.70
372.75
372.80

373.05
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373.27
373.30

376.04
376.08
376.12
376.16
376.20
376.24
376.28

378.30
378.50
378.55
378.60

379.00
379.02

TSUS or TSUSA
item number

379.0420
379.0607
379.0609
379.0615
379.0620
379.0630
379.0640
379.0642
379.0646
379.0652
379.0654
379.0660
379.08
379.11
379.13
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379.17
379.20
379.23
379.2640
379.2650
379.28
379.31
379.3310
379.3320
379.3323
379.3325
379.3331
379.3333
379.3335
379.3341
379.3360
379.3365
379.3370
379.3375
379.3380
379.3390
379.37
379.4010
379.4040
379.4050
379.4060
379.4070
379.4135
379.4310
379.4330
379.4610
379.4620
379.4630
379.4650
379.4660

TSUS or TSUSA
item number

379.48
379.49
379.51
379.52
379.54
379.5510
379.5520
379.5525
379.5530
379.5535
379.5540
379.5550
379.5555
379.5560
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379.57
379.58
379.60
379.6210
379.6217
379.6219
379.6220
379.6230
379.6240
379.6250
379.6260
379.6270
379.6280
379.6441
379.6448
379.6455
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379.81
379.83
379.84
379.86
379.87
379.8904
379.8905
379.8908
379.8911
379.8915
379.8920

TSUS or TSUSA
item number

379.8922
379.8924
379.8926
379.8928
379.8935
379.8940
379.9035
379.9040
379.91
379.92
379.94
379.9501
379.9505
379.9510
379.9515
379.9520
379.9525
379.9530
379.9535
379.9540
379.9545
379.9550
379.9560
379.9562
379.9564
379.9566
379.9568
379.9570
379.9575
379.9580
379.9585
379.9601
379.98

383.00
383.0205
383.0207
383.0208
383.0212
383.0213
383.0214
383.0216
383.0217
383.0219
383.0222
383.0223
383.0224
383.0226
383.0228
383.0232
383.0234
383.0236

TSUS or TSUSA
item number

383.0238
383.0242
383.0244
383.0246
383.0248
383.0262
383.0264
383.0266
383.0268
383.0272
383.0320
383.0352
383.0353
383.0356
383.0357
383.0358
383.0359
383.0361
383.0363
383.05
383.0601
383.0603
383.0604
383.0608
383.0612
383.0614
383.0618
383.0644
383.0648
383.0652
383.0855
383.0874
383.0878
383.0882
383.0886
383.10
383.12
383.13
383.15
383.16
383.18
383.1932
383.1934
383.1952
383.1954
383.1960
383.2042
383.2054
383.22
383.2301
383.2302
383.2303

TSUS or TSUSA
item number

383.2350
383.2367
383.2375
383.2378
383.2384
383.2396
383.2706
383.2710
383.2712
383.2714
383.2715
383.2716
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383.2721
383.2750
383.2752
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383.2758
383.2805
383.2814
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383.2822
383.2824
383.3061
383.3069
383.3070
383.3075
383.32
383.33
383.3710
383.45
383.4702
383.4704
383.4705
383.4707
383.4709
383.4711
383.4716
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383.4720
383.4721
383.4747
383.4748
383.4750
383.4818
383.4820
383.5031
383.5041
383.5042

TSUS or TSUSA
item number

383.5043
383.5044
383.5046
383.5048
383.5054
383.5057
383.5092
383.5093
383.5246
383.5288
383.5289
383.5293
383.5294
383.5296
383.5297
383.5298
383.5299
383.5304
383.5305
383.5306
383.5307
383.5309
383.5310
383.5311
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383.5316
383.5326
383.5333
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383.5342
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383.5361
383.5363
383.5364
383.5365
383.5366
383.5369
383.5370
383.55

TSUS or TSUSA
item number

383.57
383.58
383.60
383.62
383.63
383.65
383.66
383.68
383.70
383.72
383.75
383.77
383.8002
383.8007
383.8009
383.8011
383.8012
383.8014
383.8017
383.8019
383.8022
383.8024
383.8026
383.8045
383.8048
383.8050
383.8052
383.8069
383.8071
383.8073
383.88
383.9005
383.9010
383.9015
383.9020
383.9025
383.9027
383.9029
383.9032
383.9035
383.9037
383.9040
383.9042
383.9043
383.9052
383.9055
383.9056
383.9057
383.9058
383.9059

TSUS or TSUSA
item number

383.9061
383.9062
383.9063
383.9064
383.9066
383.9068
383.9069
383.9072
383.9074
383.9076
383.9203
383.9205
383.9210
383.9211
383.9220
383.9255
383.9261
383.9263
383.9270
383.9273
383.9532
383.9534
383.9536
383.9540
383.9542
383.9544
383.9546
383.9548
383.9550
383.9552
383.9562
383.9564
383.9566
383.9568
383.9570
383.9572
383.9574
383.9576
383.9578
383.9579
383.9580
383.9581
383.9583
383.9584
383.9585
383.9586
383.9587
383.9589
383.9591
383.9593

TSUS or TSUSA
item number

383.9595
383.9596
383.9598

385.15
385.20
385.25
385.30
385.40
385.50
385.53
385.55
385.60
385.61
385.63
385.70
385.75
385.80
385.85
385.90

386.04
386.06
386.07
386.15
386.20
386.25
386.40
386.5010
386.5035
386.5037
386.5038

387.10
387.20
387.25
387.32
387.33
387.37

388.10
388.20
388.30
388.40

389.10
389.20
389.30
389.40
389.50

TSUS or TSUSA
item number

389.61
389.70

402.80 pt.1/
402.82

403.56 pt.2/
403.64 pt.3/
403.66

404.36 pt.4/

405.52 pt.5/

407.07 pt.6/

422.78

429.28

680.37

696.15

702.06
702.08
702.12
702.14
702.20
702.54
702.56

TSUS or TSUSA
item number

702.60
702.65
702.70
702.75
702.80
702.85
702.90
702.95

703.05
703.10
703.14
703.16
703.65
703.72
703.75
703.80
703.85
703.90
703.95

704.05
704.10
704.15
704.20
704.25
704.30
704.32
704.34
704.40
704.45

TSUS or TSUSA
item number

704.50
704.55
704.56
704.60
704.65
704.70
704.75
704.80
704.85
704.90
704.95

705.35
705.40
705.42
705.43
705.45
705.46
705.48
705.50
705.51
705.53
705.54
705.55
705.57
705.58
705.60
705.63
705.66
705.67
705.68

TSUS or TSUSA
item number

705.69
705.70
705.72
705.73
705.74
705.76
705.78
705.83
705.85
705.86
705.90

706.33
706.37
706.39

727.82
727.86

737.21

748.45
748.50

772.30
772.35

791.45
791.48
791.70
791.74
791.80

1/ Except pentabromomethylbenzene and tribromocumene.
2/ Except tetrabromobisphenol A.
3/ Except decabromodiphenyl oxide, and octabromodiphenyl oxide.
4/ Except tetrabromophthalic anhydride.
5/ Except ethylenebistetrabromophthalimide.
6/ Except dibromoethyldibromocyclohexane.

List C to Annex 1

TSUS
item number

140.30
140.40
140.60
140.65
140.74

141.65
141.66

148.42
148.44
148.46
148.48
148.50
148.56

165.27
165.29
165.32
165.36

192.18

TSUS
item number

402.80 pt.[1]

403.51
403.56 pt.[2]
403.59
403.64 pt.[3]

404.36 pt.[4]

405.52 pt.[5]

407.07 pt.[6]

420.82

740.11
740.12
740.13
740.70

1/ Only pentabromomethylbenzene and tribromocumene.
2/ Only tetrabromobisphenol A.
3/ Only decabromodiphenyl oxide and octabromodiphenyl oxide.
4/ Only tetrabromophthalic anhydride.
5/ Only ethylenebistetrabromophthalimide.
6/ Only dibromoethyldibromocyclohexane.

ANNEX 2

Implementation of Duty-Free Treatment for Israeli Imports of Products of the United States of America

Notes:

A. The product descriptions and the articles provided for in each of the tariff items listed in this annex are the product descriptions and articles provided for in the same numbered item in the Tariff Schedules of Israel (TSI), as published in the Customs Tariff and Exemption Order (Substitution of Schedule), 5744-1984, and as effective January 1, 1985.

B. Notwithstanding the provisions of paragraphs 2 and 3 below, to simplify the computation of the amount of duty imposed the rates of duty provided for in subparagraphs 2b and 3a, b, c, d, e, f, and g shall be rounded to the nearest 0.1 percent ad valorem, of if the rate of duty is expressed in monetary units, to the nearest lowest currency value specified in the TSI, in accordance with the following rule:

The rate of duty shall be rounded up to the nearest 0.1 percent or to the lowest currency value specified in the TSI if the rate of duty provided for in paragraph 2 or 3 has the number 5 or above as the second digit to the right of the decimal point in the case of ad valorem duties, or as the first digit to the right of the lowest currency value specified in the TSI in the case of specific duties; the rate of duty shall be rounded down to the nearest 0.1 percent or to the lowest currency value specified in the TSI if the rate of duty provided for in paragraph 2 or 3 has the number 4 or below as the second digit to the right of the decimal point in the case of ad valorem duties, or as the first digit to the right of the lowest currency value specified in the TSI in the case of specific duties.

C. As regards tariff headings 3005.1000, 8904.1000, 9905.9900, 9906.9900, for which no duty rates are specified in the TSI, the duty rates and tariff reduction formula under this Annex shall be in accordance with the duty rates and tariff reductions applicable to all articles comprising such tariff headings.

1. Articles not covered by the provisions of paragraphs 2, 3 and 4 below shall be free of duty effective September 1, 1985.

2. Articles provided for in the items included in List A shall be subject to the following tariff treatment:

a) Effective September 1, 1985, the rate of duty listed opposite the item;

b) Effective January 1, 1987, a rate of duty which is 40 percent of the listed rate;

c) Effective January 1, 1989, free of duty.

Provided that prior to January 1, 1989 the rates of duty will not be lower than the rates of duty applied to imports originating in the European Economic Community.

3. Articles provided for in the items included in List B shall be subject to the following tariff treatment:

a) Effective September 1, 1985, a rate of duty which is 80 percent of the general rate of duty of the TSI on that date;

b) Effective January 1, 1986, a rate of duty which is 70 percent of the general rate of duty of the TSI on that date;

c) Effective January 1, 1987, a rate of duty which is 60 percent of the general rate of duty of the TSI on that date;

d) Effective January 1, 1988, a rate of duty which is 50 percent of the general rate of duty of the TSI on that date;

e) Effective January 1, 1989, a rate of duty which is 40 percent of the general rate of duty of the TSI on that date;

f) Effective January 1, 1990, a rate of duty which is 30 percent of the general rate of duty of the TSI on that date;

g) Effective January 1, 1992, a rate of duty which is 10 percent of the general rate of duty of the TSI on that date;

h) Effective January 1, 1995, free of duty.

Provided that prior to January 1, 1989 the rates of duty will not be lower than the rates of duty applied to imports originating in the European Economic Community.

4. Articles provided for in the items included in List C shall be subject to the general rate of duty of the TSI for the respective item until January 1, 1990. The rates of duty to be applied on and after January 1, 1990, shall be determined after consultations between the Governments of the United States and Israel. Effective January 1, 1995, all such articles shall be free of duty.

LIST A TO ANNEX 2

TARIFF HEADING	RATE OF DUTY
-8059900	2.0%
01061090	40.0%
02019900	128.00 IS per kg
02040000	128.00 IS per kg
02060000	128.00 IS per kg
03014030	96.76 IS per kg
03015090	40.0%
03023000	20.0%
03024000	16.78 IS per kg
03025000	16.78 IS per kg
05043000	10.0%
05049900	8.0%
05153000	40.0%
07031000	16.0%
07041000	8.0%
07043000	16.0%
07052000	12.30 IS per kg
07060000	8.0%
08012000	25.0%
08029900	25.0%
08032000	9.6%
08051000	15.0%
08119900	25.0%
08130000	8.0%
09011000	4.0%
09021000	8.0%
09029910	5.0%
09030000	free
09050000	8.0%
09060000	25.0%
09070000	25.0%
09080000	25.0%
09090000	25.0%
09109900	25.0%
10069900	5.0%
10071000	12.30 IS per kg
10073000	80.0%
11013000	12.30 IS per kg
11022000	12.8%
11041000	16.0%
11049900	8.0%
11090000	8.0%
12011000	28.0%
12011500	28.0%
12021000	28.0%
12022000	25.80 IS per kg
12040000	8.0%

TARIFF HEADING	RATE OF DUTY
12075000	20.0%
12077000	16.0%
12079910	20.0%
12079990	32.0%
12082000	12.0% + 128.00 IS per kg
12084000	12.0%
12089900	51.18 IS per kg
13020000	free
13031050	16.2%
13032000	8.0%
13033000	free
13039900	5.0%
14055000	free
15049910	32.0%
15049990	8.0%
15071010	18.0%
15071020	8.0%
15079910	12.0%
15079920	4.0%
15079990	8.0%
15089991	free
15119900	12.5%
16041100	20.0% + 776.00 IS per kg
16042010	158.00 IS per kg
17012000	8.0%
17024000	25.80 IS per kg
17025000	12.0%
17029900	7.01 IS per kg
17044000	7.5% + 34.98 IS per kg
17049900	34.98 IS per kg
18031000	11.23 IS per kg
18039900	26.66 IS per kg
18050000	3.7% + 13.48 IS per kg
18063000	19.78 IS per kg
19029900	10.0%
19050000	10.0%
20011000	16.0%
20021000	16.0%
20041000	30.76 IS per kg
20049900	14.0%
20071010	8.0%
20071090	14.0% bnl than 19.78 IS per kg
21021000	4.2%
21022000	109.00 IS per kg
21023000	8.0%

TARIFF HEADING	RATE OF DUTY
21024000	5.0%
21025000	12.0%
21029900	8.7%
21061000	7.4%
21069900	8.7%
21075000	16.2%
21076000	16.0%
22019900	6.22 IS per litr
22020000	10.0%
22030000	6.3%
22060000	7.5% + 62.35 IS per litr
22092000	12.5% + 258.00 IS per litr
23071000	25.0%
24021000	10.0%
24022000	15.0% + 2972.00 IS per kg
24024000	96.32 IS per kg
24025000	96.32 IS per kg
25010000	6.3%
25100000	4.5%
25150000	6.3%
25160000	6.3%
25170000	5.0%
25200000	6.2%
25232000	8.66 IS per kg
25260000	free
25324000	4.7%
27030000	5.0%
27105500	22.5%
28011000	4.0%
28043010	7.5%
28061090	4.0%
28171000	7.4%
28172000	8.7%
28191000	10.0%
28219900	7.5%
28230000	7.5%
28281000	6.0%
28291000	7.5%
28292000	8.7%
28301000	5.0%
28302000	5.0%
28311000	6.0%
28321000	9.6%
28351000	6.3%
28370000	11.2%

TARIFF HEADING	RATE OF DUTY
28381000	6.2%
28382000	5.0%
28383000	8.7%
28384000	9.5%
28401000	8.5%
28402000	8.7%
28403000	6.7%
28421000	10.0%
28423000	9.5% bnl than 11.40 IS per kg
28461000	9.5% bnl than 11.40 IS per kg
28471020	10.0%
28491000	9.3%
28492010	free
28501000	9.3%
28511000	9.3%
28521000	9.3%
28540000	8.0%
29011010	.92 IS per kg
29021020	10.6%
29021030	10.6%
29021050	1.5%
29041030	3.5%
29051000	10.0%
29062000	9.3%
29071010	5.0%
29141000	5.6%
29143000	7.4%
29144000	7.4%
29145000	5.3%
29149910	5.3%
29162000	4.2% + 4.06 IS per kg
29163000	10.0%
29164000	5.0% + 4.06 IS per kg
29191000	10.0%
29192000	10.0%
29211000	10.0%
29212000	3.5%
29221000	16.0%
29233000	16.0%
29234000	12.5%
29241000	9.3%
29242000	8.0%
29243000	10.0%
29251000	16.0%
29253100	10.0%

TARIFF HEADING	RATE OF DUTY
29253200	10.0%
29253300	10.0%
29254000	10.6%
29254100	12.0%
29254200	10.6%
29255000	10.0%
29256000	10.0%
29257000	10.0%
29261000	16.0%
29301000	16.0%
29311000	11.2%
29341000	free
29342000	10.0%
29349910	5.0%
29351500	10.0%
29352000	10.0%
29353000	10.0%
29353500	10.0%
29354000	10.6%
29354100	10.6%
29354200	10.6%
29354300	10.6%
29354400	10.6%
29354500	10.6%
29354600	10.6%
29354700	10.6%
29355000	10.0%
29356000	10.0%
29361000	10.6%
29361500	10.6%
29362000	10.6%
29381031	3.2%
29381039	1.2%
29411000	10.6%
29431000	8.30 IS per kg
30021010	free
30053010	8.7%
30053090	3.5%
30059900	3.5%
31030000	8.7%
31042090	6.2%
31049900	8.7%
31059900	free
32041000	free
32042000	free

TARIFF HEADING	RATE OF DUTY	
32049990	free	
32081090	9.3%	
32089900	9.3%	
32091000	13.8%	
32092000	22.5%	
32099910	6.2%	
32099990	8.4%	
32100000	10.0%	
32110000	10.0%	
32120000	10.0%	
33012010	7.5%	
33012090	8.4%	
33019900	10.0%	
33041000	13.8%	
33049900	8.4%	
33061000	14.8%	
33062000	8.5%	
33063000	8.5%	
33064010	8.5%	
33064090	12.5%	
33065000	3.5%	
33067500	10.0%	+ 32.21 IS per kg
33068000	18.0%	
34011000	7.5%	
34019900	11.2%	
34021000	13.5%	
34022000	4.9%	
34023000	10.0%	
34024000	10.0%	
34025000	8.5%	
34029990	8.5%	
34039910	19.1%	
34041000	10.0%	
34049900	3.5%	
34052090	8.5%	
34059900	13.5%	
34060000	6.2%	
34071000	3.5%	
34079900	22.5%	
35019900	10.0%	
35021000	7.5%	
35029900	10.0%	
35031000	7.5%	
35039900	10.0%	
35040000	7.5%	

TARIFF HEADING	RATE OF DUTY	
35051000	9.0%	
35052000	5.0%	
35059900	10.0%	
35060000	10.0%	
35071000	12.0%	
36010000	5.0%	
36020000	5.0%	
36040000	5.0%	
36052000	12.2%	
36059900	3.5%	
36081000	22.5%	
36089900	3.5%	
37011000	8.0%	
37032000	18.0%	
37039991	20.0%	bnl than 111.00 IS per sq.m
37053000	15.0%	
37059900	free	
37071000	free	
37072090	free	
37079900	free	
38011000	5.3%	
38060000	free	
38089900	free	
38112000	8.5%	
38119900	6.3%	+ 32.21 IS per kg
38131000	10.0%	
38132000	10.0%	
38140000	22.5%	
38170000	10.0%	
38191000	10.0%	
38191900	4.2%	
38192090	4.7%	
38192600	7.5%	
38192800	3.5%	
38193000	3.5%	
38193200	3.5%	
38193600	3.5%	
38193810	10.0%	
38194400	3.5%	
38194610	10.0%	
38194620	9.5%	
38194630	6.3%	
38195290	9.3%	
38195600	3.5%	
38195800	7.5%	

TARIFF HEADING	RATE OF DUTY	
38196000	7.5%	
38196400	7.5%	
38196600	7.5%	
38196800	14.8%	
38197000	10.0%	
38197200	13.8%	
38197400	10.0%	
38197600	9.3%	
38197800	9.3%	
38198500	6.2%	
38198700	3.5%	+ 12.47 IS per kg
38199910	3.5%	
38199920	8.5%	
38199990	22.5%	
39011010	9.3%	
39011030	7.5%	
39011040	8.5%	
39011059	7.0%	
39011060	8.5%	
39011070	10.6%	
39011080	10.0%	
39011094	free	
39011099	8.5%	
39012000	7.5%	
39012500	9.0%	
39013000	8.4%	
39013510	8.5%	+ 103.00 IS per sq.m
39013531	12.7%	
39013539	8.5%	+ 140.00 IS per kg
39014019	11.2%	
39014030	7.0%	
39014040	5.6%	
39014090	22.0%	
39014500	8.5%	
39017510	12.7%	
39021012	12.5%	
39021031	8.0%	
39021034	7.5%	
39021070	9.3%	
39022000	7.5%	
39022500	10.0%	
39023000	8.4%	
39025020	10.0%	
39025030	9.5%	
39025510	11.2%	

TARIFF HEADING	RATE OF DUTY
39025530	5.6%
39025599	7.8%
39029911	8.7%
39029912	12.7%
39029919	8.5% + 127.00 IS per kg
39031000	free
39032000	free
39034021	12.7%
39034029	8.5% + 127.00 IS per kg
39034031	10.0%
39034090	20.2%
39035000	free
39039913	10.0%
39039920	11.2%
39039990	22.5%
39041000	10.5% + 56.75 IS per kg
39049900	16.8%
39051000	10.0%
39059900	free
39061090	free
39062000	7.5%
39063000	6.7%
39069900	20.2%
39071020	8.7%
39071200	15.0%
39071410	8.5% + 103.00 IS per sq.m
39071441	12.7%
39071600	10.0%
39073400	3.5%
39073700	3.5%
39074000	3.5%
39075090	18.0%
39075200	10.1%
39075300	17.5%
39075400	4.2%
39075510	8.5%
39075590	10.6%
39075629	8.5% bnl than 29.69 IS per pair
39075690	16.8%
39075700	17.5%
39075800	14.0%
39075900	1834.00 IS per kg
39076400	20.0%
39076520	7.4%
39076590	8.0%

TARIFF HEADING	RATE OF DUTY
39076800	3.5%
39077000	6.7%
39077700	5.6%
39077800	17.5%
39079910	11.7%
39079949	8.5% + 127.00 IS per kg
39079950	10.5% + 56.75 IS per kg
39079960	15.0% bnl than 121.00 IS each
39079970	12.5% bnl than 128.00 IS per pair
40011000	free
40013000	free
40021000	11.2%
40039900	12.7%
40040000	15.7%
40051000	3.5%
40062090	7.5%
40069900	10.0%
40079900	11.2%
40089900	6.3%
40111090	10.6%
40121000	3.5%
40129900	11.7%
40132099	8.5% bnl than 17.02 IS per pair
40139900	16.8%
40141020	3.7%
40144000	9.3%
40145000	7.5%
40146010	8.5%
40146090	10.6%
40147090	free
40148000	14.0%
40148100	7.5%
40148200	16.0%
40149910	7.5%
40149991	17.5%
40149999	18.7%
40159900	12.0%
40160000	6.7%
41021020	1.7%
41029930	1.7%
41031000	2.1%
41041000	2.1%
41051000	2.5%
41060000	free
41090000	3.5%

TARIFF HEADING	RATE OF DUTY
42010000	7.5%
42031011	7.5%
42031012	12.5%
42031019	8.5% bnl than 113.00 IS per pair
42031090	10.6%
42039910	12.5% bnl than 51.18 IS each
42039920	12.5% bnl than 20.42 IS each
42039990	22.5%
42041000	5.0%
42042000	17.5%
42043000	17.5%
42049990	7.5%
42051000	5.3% bnl than 40.85 IS per sqft
42059900	7.5%
43021510	2.1% + 43.87 IS per kg
43024010	2.5% + 190.00 IS per kg
43024090	2.5% + 3518.00 IS per kg
43031010	2.2% + 190.00 IS per kg
43031020	2.2% + 9541.00 IS per kg
43031090	2.2% + 3869.00 IS per kg
43039900	9.0%
43040000	13.5%
44013000	15.7% + 776.00 IS per ton
44019900	18.0%
44020000	3.5%
44032000	4.2%
44032500	646.00 IS per ton
44034000	9.0% + 776.00 IS per ton
44035000	15.7% + 776.00 IS per ton
44036000	15.7% + 776.00 IS per ton
44037000	7.5%
44039900	17.0%
44041000	646.00 IS per ton
44042000	9.0% + 776.00 IS per ton
44043000	15.7% + 776.00 IS per ton
44044000	15.7% + 776.00 IS per ton
44045000	11.2% + 266.00 IS per ton
44049900	18.0%
44051000	8.5% + 3384.00 IS per m 3
44051510	14.0% + 1852.00 IS per m 3
44051520	8.0% + 3384.00 IS per m 3
44052500	11.2% + 266.00 IS per ton
44053000	15.7%
44053600	10.6%
44054500	21.2%

TARIFF HEADING	RATE OF DUTY
44055500	25.0%
44059900	10.0% + 4033.00 IS per m 3
44071000	3.2%
44079900	32.0%
44091000	22.5%
44099900	5.6%
44111000	6.3% + 76.54 IS per sq.m
44119900	9.5%
44120000	3.5%
44131000	25.0%
44132000	21.2%
44139900	10.0% + 4033.00 IS per m 3
44149920	8.5%
44149990	10.6%
44160000	22.5%
44170000	22.5%
44181000	6.7% + 76.99 IS per sq.m
44190000	23.7%
44200000	23.7%
44219990	18.7%
44241000	20.2%
44249900	14.6%
44252000	7.4% bnl than 192.00 IS per pair
44259900	22.0% + 12.30 IS per kg
44260000	6.5%
44270000	15.7%
44281000	17.5%
44283000	22.5%
44289900	22.0% + 12.30 IS per kg
45010000	7.5%
45020000	10.0%
45030000	7.5%
45040000	5.6%
46022000	128.00 IS per sq.m
46029900	20.2%
46030000	5.0% + 120.00 IS per kg
48011090	6.8%
48013020	8.5%
48013090	6.3%
48015000	7.5%
48016000	3.5%
48017000	7.5%
48018090	8.7% bnl than 16.78 IS per kg
48019920	10.0%
48019930	16.0%

TARIFF HEADING	RATE OF DUTY	
48019940	10.0%	
48039900	18.0%	
48041000	10.0%	
48049900	15.7%	
48051000	3.5%	
48052090	8.0%	
48054000	9.5%	
48059900	19.1%	
48071010	8.7%	bnl than 16.78 IS per kg
48071500	10.6%	
48072000	9.5%	
48073010	14.8%	
48073090	14.8%	
48074000	7.5%	
48075000	16.0%	
48076000	3.5%	
48077000	7.5%	
48077100	11.7%	bnl than 161.00 IS per kg incl bearer
48079190	8.7%	bnl than 16.78 IS per kg
48080000	7.5%	
48111000	12.7%	
48119900	8.5%	+ 140.00 IS per kg
48131000	9.5%	
48132000	13.5%	
48139900	18.0%	
48140000	20.0%	
48151000	7.5%	
48151500	10.6%	
48152000	7.5%	
48155000	3.5%	
48157000	3.5%	
48159100	14.8%	
48159910	11.7%	bnl than 161.00 IS per kg incl bearer
48159920	16.0%	
48159930	10.0%	
48162000	3.7%	
48199900	14.9%	
48201000	7.4%	
48209900	15.7%	
48211500	10.6%	
48212500	3.5%	
48213000	7.0%	
48216000	10.0%	
48218000	20.0%	
48219910	17.5%	

TARIFF HEADING	RATE OF DUTY
48219920	13.7%
48219930	17.5%
49030000	20.0%
49061000	1.7%
49079990	22.5%
49081000	11.2%
49089900	22.5%
49090000	20.0%
49113000	free
49119900	11.2%
50040000	3.5%
50050000	3.5%
50071000	7.8% bnl than 674.00 IS per kg
50079900	3.5%
50090000	10.6% bnl than 103.00 IS per sq.m
51011020	11.2% bnl than 880.00 IS per kg
51011093	9.5%
51011099	11.2%
51012030	11.2% bnl than 880.00 IS per kg
51012092	8.4%
51012099	10.0%
51021090	11.2% bnl than 61.49 IS per kg
51022010	9.3%
51022090	11.2% bnl than 61.49 IS per kg
51029911	11.2% bnl than 880.00 IS per kg
51029919	11.2%
51031010	9.5%
51031020	11.2% bnl than 880.00 IS per kg
51031090	5.0%
51032020	11.2% bnl than 880.00 IS per kg
51032090	10.0%
51041000	9.5%
51041100	9.0%
51042000	20.0%
51049130	56.75 IS per sq.m
51049900	10.6% bnl than 85.12 IS per sq.m
52010000	10.0% bnl than 880.00 IS per kg
52020000	10.6% bnl than 103.00 IS per sq.m
53051090	96.76 IS per kg
53109900	4.2% + 88.13 IS per kg
53129900	10.6%
54050000	10.6% bnl than 103.00 IS per sq.m
55071000	10.6%
55079900	10.6%
56052099	6.2%

TARIFF HEADING	RATE OF DUTY
56061099	4.2% + 88.13 IS per kg
56062099	6.2%
57060000	7.4% bnl than 28.82 IS per kg
57071000	10.0%
57079900	2.0%
57100000	8.0% bnl than 28.82 IS per kg
57110000	16.0%
58010000	4.2% + 2364.00 IS per sq.m
58020000	4.2% + 2364.00 IS per sq.m
58030000	14.6%
58052030	7.4% bnl than 28.10 IS per kg
58052040	8.5%
58052090	10.6% bnl than 97.18 IS per sq.m
58059900	15.0%
58061000	4.2% + 103.00 IS per sq.m
58069900	15.0%
58071010	9.5% bnl than 841.00 IS per kg
58079900	10.6% + 182.00 IS per kg
58080000	10.6%
58091031	10.6% bnl than 103.00 IS per sq.m
58091032	10.6% bnl than 323.00 IS per sq.m
58091039	4.2% + 196.00 IS per sq.m bnl than 235.00 IS per sq.m
58091040	15.0%
58099900	10.6% bnl than 103.00 IS per sq.m
58103010	10.6% bnl than 97.18 IS per sq.m
58103091	10.6% bnl than 323.00 IS per sq.m
59011010	10.0%
59011020	12.5% bnl than 1.22 IS each
59011030	16.0% + 372.00 IS per kg-acryl
59011090	16.0%
59021020	5.6% + 1368.00 IS per sq.m
59021091	13.1%
59021099	13.1%
59029910	13.1%
59029990	13.1%
59031092	6.3% + 1481.00 IS per sq.m
59031093	7.5%
59039910	4.9%
59039990	13.1%
59041000	5.6%
59042000	5.6% bnl than 21.67 IS per kg
59049900	5.6% bnl than 18.06 IS per kg
59061000	17.5%
59069910	13.5%
59069990	10.6% + 13.49 IS per kg

TARIFF HEADING	RATE OF DUTY
59071000	15.0%
59072000	7.5%
59079990	13.8% bnl than 56.32 IS per sq.m
59082000	7.5%
59083020	11.7% bnl than 193.00 IS per kg incl bearer
59083030	12.7% bnl than 372.00 IS per sq.m
59083040	12.7% bnl than 372.00 IS per sq.m
59083050	10.6% bnl than 323.00 IS per sq.m
59083060	4.2% + 193.00 IS per sq.m bnl than 235.00 IS per sq.m
59083090	8.5% + 127.00 IS per kg
59089900	15.7%
59111100	10.3% bnl than 174.00 IS per kg
59119990	10.5%
59122000	9.3%
59131000	10.6% bnl than 103.00 IS per sq.m
59139900	10.6% + 182.00 IS per kg
59140000	20.0%
59150000	13.7%
59172010	17.5%
59172020	13.5%
59172040	7.5%
60012010	10.6% bnl than 103.00 IS per sq.m
60012099	4.2% + 218.00 IS per sq.m bnl than 251.00 IS per sq.m
60013000	15.0%
60020000	12.5%
60033000	10.6% + 14.53 IS per pair
60041000	12.7%
60043010	3.5%
60043090	10.6% + 14.53 IS each
60049900	10.6%
60059920	10.0%
60059990	12.5% + 182.00 IS per kg
60061000	10.6% bnl than 103.00 IS per sq.m
60062000	13.5%
60063010	3.5%
60063091	12.5% + 182.00 IS per kg
60063099	15.0%
60064020	11.2%
60064090	15.0%
61021000	10.6% + 74.38 IS each
61050000	10.6% + 595.00 IS per kg
61060000	10.6% + 595.00 IS per kg
61070000	6.3% + 61.49 IS each
61091000	10.6% + 88.99 IS each
61092010	19.1%

TARIFF HEADING	RATE OF DUTY
61092090	10.6% + 43.87 IS each
61093000	10.6% + 103.00 IS each
61099900	15.0%
61101021	8.5% bnl than 17.20 IS per pair
61101022	8.5% bnl than 31.38 IS per pair
61101090	12.5%
61109900	25.80 IS per pair
61110000	20.0%
62011000	12.5%
62019900	6.3% + 122.00 IS per sq.m
62032090	6.7%
62039911	6.3%
62039990	6.7%
62049910	8.5%
62049990	10.6%
62051000	3.5%
62052000	7.5%
62053000	5.6%
62054000	7.5%
62055000	17.5%
62056000	10.6% + 18.49 IS per kg
62059900	10.6% + 18.49 IS per kg
64011000	10.5%
64012000	20.0% bnl than 372.00 IS per pair
64021000	16.0%
64022000	7.5%
64051000	8.5% bnl than 35.69 IS per pair
64052000	82.97 IS per pair
64059910	16.9% bnl than 128.00 IS per pair
64059990	16.9%
64060000	16.9%
65010000	free
65020000	free
65030000	6.3% + 95.89 IS each
65040000	6.3% + 95.89 IS each
65050000	14.8%
65062000	14.8%
65063000	11.2%
65069900	6.3% + 95.89 IS each
65070000	22.5%
66010000	6.3% + 95.89 IS each
66029900	22.5%
66031000	19.1%
67011000	17.5%
67019900	5.0%

TARIFF HEADING	RATE OF DUTY	
67020000	17.5%	
67031000	6.3%	+ 646.00 IS per kg
67039900	7.5%	
67041000	10.6%	bnl than 646.00 IS each
67049900	13.1%	
68010000	free	
68029900	4.2%	+ 21.50 IS per kg
68030000	15.7%	
68041000	3.7%	
68061000	free	
68069900	15.0%	
68070000	10.0%	
68080000	10.0%	
68102000	17.5%	
68110000	7.5%	
68120000	4.7%	
68131000	10.0%	
68132000	7.5%	+ 646.00 IS per kg
68133000	3.5%	
68134000	6.3%	+ 25.63 IS per kg
68139900	15.7%	
68142000	7.5%	
68149900	21.2%	
68150000	15.7%	
68161500	20.0%	
68167000	3.5%	
68167500	17.5%	
68169900	22.5%	
69019900	8.7%	
69029900	8.7%	
69039900	8.7%	
69040000	3.5%	
69070000	11.2%	+ 62.35 IS per sq.m
69080000	11.2%	+ 62.35 IS per sq.m
69090000	3.5%	
69101000	11.2%	
69109900	9.5%	
69110000	25.5%	
69120000	25.5%	
69130000	20.0%	
69140000	22.5%	
70039900	free	
70041000	free	
70042011	9.5%	bnl than 22.52 IS per kg
70042019	7.4%	

TARIFF HEADING	RATE OF DUTY
70042090	17.5%
70049911	7.4% bnl than 12.47 IS per kg
70049919	17.5%
70049991	4.7%
70049999	6.2% + 128.00 IS per sq.m
70051011	9.5% bnl than 22.52 IS per kg
70051019	8.7%
70051090	17.5%
70059911	7.4% bnl than 10.39 IS per kg
70059919	17.5%
70059991	4.7%
70059999	6.2% + 128.00 IS per sq.m
70061000	free
70069900	22.5%
70071000	free
70079900	22.5%
70081000	24.0%
70082000	7.5% bnl than 3196.00 IS per sq.m
70091000	24.0%
70099900	15.0%
70101500	7.4%
70102000	6.2%
70103000	5.0%
70104000	4.7%
70111000	13.5%
70112000	22.0%
70120000	free
70130000	20.0%
70142000	24.0%
70144000	30.0%
70149910	17.5%
70149990	22.5%
70151000	11.2%
70152000	7.5%
70159900	22.5%
70160000	free
70171010	4.0%
70181099	7.4%
70192010	12.5% bnl than 1852.00 IS per kg
70192090	1852.00 IS per kg
70193000	10.0%
70199900	17.5%
70201050	3.5%
70202000	7.5%
70203010	11.7% bnl than 161.00 IS per kg incl bearer

TARIFF HEADING	RATE OF DUTY
70203021	128.00 IS per kg
70203029	6.3% + 30.66 IS per kg
70203030	17.5%
70203090	15.7%
70203500	15.0%
70206000	13.5%
70207000	7.5%
70209910	7.0%
70209990	15.7%
70212000	3.5%
70219900	17.5%
71122000	3.7%
71129911	9.3%
71129919	10289.00 IS per kg
71129990	9.3%
71131000	12.0%
71132010	2.0%
71132020	1.0%
71132090	12.5%
71139911	3.5%
71139919	10289.00 IS per kg
71139990	3.5%
71140000	5.0%
71152090	6.7%
71159900	18.7%
71162500	16.2%
71169900	1852.00 IS per kg
73101010	4.2%
73111010	4.2%
73112000	24.0%
73124000	4.5%
73126000	6.0%
73129910	8.0%
73129992	2.6%
73131000	3.7%
73139910	8.0%
73143020	9.3%
73151019	7.4%
73152000	4.2%
73153010	4.2%
73153040	4.2%
73154010	4.2%
73154040	4.2%
73155030	4.2%
73179900	8.0% bnl than 10.16 IS per kg

TARIFF HEADING	RATE OF DUTY	
73185000	5.3%	
73189990	5.3%	
73201019	3.5%	
73202000	3.5%	
73205010	7.4%	bnl than 32.21 IS per kg
73221000	5.0%	
73231000	7.4%	
73239900	5.0%	
73249910	2.1%	
73249990	1.1%	
73250000	3.5%	
73260000	10.6%	
73272000	4.7%	
73279900	9.5%	
73299911	10.0%	bnl than 102.00 IS per kg
73299912	7.5%	bnl than 32.68 IS per kg
73299991	8.7%	bnl than 19.78 IS per kg
73299992	7.0%	bnl than 19.78 IS per kg
73319900	10.6%	
73320000	12.5%	
73332000	4.2%	
73339900	7.8%	
73340000	10.6%	
73351000	7.4%	
73352000	7.4%	
73361000	8.5%	
73369910	11.7%	
73369990	11.7%	
73370000	8.7%	
73381010	9.5%	
73381090	6.3%	
73382000	4.2%	+ 30.66 IS per kg
73383000	6.7%	
73389900	10.6%	
73401010	17.5%	
73401020	10.6%	
73401050	3.2%	
73401090	7.8%	
73402500	7.4%	
73404510	7.4%	
73406011	3.7%	
73407090	7.4%	
73407500	6.2%	
73408000	5.6%	
73409900	14.7%	

TARIFF HEADING	RATE OF DUTY
74031190	1.2%
74039900	1.2%
74041500	free
74059900	7.5%
74089900	5.3%
74113000	4.7%
74119900	7.4%
74171000	8.5%
74179900	418.00 IS per kg
74181000	8.5%
74189900	418.00 IS per kg
74191000	3.5%
74192000	17.5%
74193010	20.0%
74193090	7.5%
74195000	5.6%
74199910	5.0%
74199920	4.3%
74199990	11.2%
75060000	3.5%
76022000	24.0%
76029910	1.7%
76033000	10.6%
76039900	4.2%
76049910	5.0%
76079900	5.0%
76090000	3.5%
76101000	6.5%
76102000	4.2%
76103000	5.6%
76105000	9.5%
76109900	5.3%
76129900	free
76151000	8.7%
76159900	7.4%
76161000	1.8%
76162000	3.7%
76162500	10.6%
76163000	6.3% bnl than 52.87 IS per sq.m
76163500	5.3%
76165000	4.7%
76165500	22.5%
76166000	7.4%
76166500	6.2%
76167000	6.3%

TARIFF HEADING	RATE OF DUTY
76167500	10.6%
76168090	11.2%
76168500	10.0%
76168700	3.5%
76168800	1.0%
76169900	13.5%
78011010	3.5%
78011091	8.0%
78021000	7.5%
78050000	7.5%
78061000	1.0%
78063000	5.6%
78069920	3.5%
78069990	7.5%
79062000	3.5%
79069900	7.5%
80011020	7.5%
80021000	7.5%
80069900	5.6%
82019900	10.0%
82021000	12.5%
82022031	8.5%
82022032	10.6%
82022033	10.6%
82022099	9.0%
82030000	7.5%
82034000	16.0%
82043210	10.6%
82043290	6.2% bnl than 192.00 IS each
82056000	8.5%
82069900	9.3%
82070000	10.6%
82080000	10.6%
82091010	12.5%
82091020	10.6% bnl than 16.78 IS each
82091090	12.5%
82093010	10.6%
82093090	5.6%
82112010	7.80 IS each
82112020	7.5%
82113000	7.80 IS each
82119900	6.3%
82129900	10.6%
82139900	11.2%
82140000	10.6% bnl than 16.78 IS each

TARIFF HEADING	RATE OF DUTY
82150000	12.5%
83010000	8.5%
83020000	8.5%
83030000	8.5%
83040000	8.5%
83050000	10.6%
83062000	10.6%
83069910	418.00 IS per kg
83069990	17.5%
83071090	9.3%
83072091	418.00 IS per kg
83072099	10.0%
83089900	8.5%
83090000	10.5%
83119900	10.6%
83139900	6.3%
83149900	6.7%
83151010	5.3%
83159910	3.5%
83159990	8.5%
84011090	10.0%
84012000	10.0%
84061010	24.0%
84061040	8.0%
84061050	3.5%
84062010	20.0%
84062090	24.0%
84065090	15.7%
84069930	3.5%
84071000	11.2%
84081000	11.2%
84101000	12.5%
84102000	7.5%
84103500	3.5%
84104019	12.5%
84104029	8.7%
84104039	12.5%
84104042	21.2%
84104043	8.5%
84104049	9.3%
84104050	12.5%
84104060	7.5%
84105010	21.2%
84105090	8.7%
84111090	9.0%

TARIFF HEADING	RATE OF DUTY	
84113012	7.5%	
84113019	8.5%	
84113094	7.5%	
84113099	10.0%	
84114000	9.3%	
84115011	7.5%	
84115012	7.5%	
84115092	7.5%	
84116010	3.5%	
84132000	10.0%	
84139900	7.5%	
84141010	7.5%	
84142000	7.5%	
84154000	7.5%	
84164019	10.0%	bnl than77264.00 IS per ton
84164090	10.0%	
84172500	7.5%	
84173000	10.6%	
84174000	10.0%	
84175000	8.5%	
84176000	10.0%	
84177090	8.5%	bnl than77264.00 IS per ton
84178099	9.3%	
84179090	12.5%	
84181011	11.2%	
84181019	7.5%	
84189911	1.0%	
84189914	21.2%	
84189919	12.7%	
84189920	12.7%	
84191000	14.8%	
84193000	10.0%	
84194000	7.5%	
84199910	3.5%	
84205020	6.2%	
84205030	10.6%	
84209010	4.2%	
84209090	8.5%	
84212000	10.0%	
84215011	10.0%	
84215019	8.5%	
84215020	8.5%	
84216000	1.0%	
84216900	9.0%	
84217019	10.6%	

TARIFF HEADING	RATE OF DUTY	
84217020	10.6%	
84217100	10.6%	
84217210	8.5%	
84217220	10.6%	
84217311	12.5%	
84217320	12.5%	
84219920	9.0%	
84219930	9.0%	
84221000	6.3%	
84222010	4.5%	
84222090	11.2%	
84223000	9.3%	
84225039	8.5%	
84225090	9.0%	
84226010	12.5%	
84226091	5.0%	
84226099	10.0%	
84228010	12.5%	
84228091	7.5%	
84229990	9.3%	
84239900	10.0%	
84251000	free	
84281000	7.5%	
84301000	8.5%	
84302049	10.0%	bnl than77264.00 IS per ton
84302090	12.5%	
84321000	7.5%	
84331000	7.0%	
84341000	7.5%	
84343000	7.5%	
84344000	7.5%	
84345000	6.3%	
84351010	6.3%	
84373000	3.5%	
84389920	7.5%	
84401010	7.5%	
84401090	7.5%	
84403013	8.5%	bnl than 2273.00 IS each
84403014	8.5%	bnl than11345.00 IS each
84403015	17.5%	
84403099	8.5%	
84404019	5.3%	
84404020	10.6%	
84405000	6.3%	
84409921	6.3%	

TARIFF HEADING	RATE OF DUTY
84411021	12.7% + 3196.00 IS each
84411022	3196.00 IS each
84411023	20.0%
84411031	13.7% + 3196.00 IS each
84411033	3196.00 IS each
84411051	22.0% + 1092.00 IS each
84411052	192.00 IS per kg
84411060	192.00 IS per kg
84412000	192.00 IS per kg
84421119	7.5%
84421190	7.5%
84423000	8.5% bnm than 1878.00 IS each
84451000	8.5%
84455090	10.6%
84456000	9.3%
84457000	8.5% bnm than 1878.00 IS each
84459910	5.2%
84459939	7.5%
84462090	12.5%
84463090	7.5%
84464000	8.5% bnm than 1878.00 IS each
84469911	7.5%
84469920	7.5%
84472090	10.6%
84473090	7.5%
84474000	8.5% bnm than 1878.00 IS each
84479919	9.3%
84484000	9.3%
84487000	12.5%
84489900	7.5%
84490000	7.0%
84501000	12.5%
84523000	8.5%
84529900	12.7%
84534000	2.0%
84539900	2.0%
84541000	free
84542000	10.6%
84543010	10.6%
84543090	5.6% bnl than 192.00 IS each
84544000	4.0%
84546000	4.2%
84549900	19.1%
84552010	2.0%
84552090	7.0%

TARIFF HEADING	RATE OF DUTY	
84559900	17.0%	
84561000	10.0%	
84562090	9.3%	
84569910	9.3%	
84580000	7.5%	
84591010	10.0%	
84591062	7.5%	
84591063	7.5%	
84591070	8.5%	bnm than 1878.00 IS each
84591219	11.2%	
84591220	11.2%	
84591559	10.0%	
84591580	10.0%	
84591593	10.0%	
84591599	11.2%	
84591710	7.5%	
84593600	11.2%	
84598500	22.5%	
84599990	8.5%	
84609900	6.2%	
84621000	3.5%	
84622000	4.0%	
84631010	7.5%	
84632020	12.5%	
84632093	10.0%	
84633091	10.0%	
84634000	5.0%	
84635090	7.5%	
84639990	7.5%	
84640000	17.5%	
84653000	8.5%	
85011012	8.5%	
85011013	8.5%	
85011022	8.5%	
85011023	8.5%	
85011060	8.5%	
85011079	6.3%	
85011099	10.0%	
85012130	6.3%	
85012199	9.5%	
85019930	3.5%	
85019940	3.5%	
85021090	15.7%	
85022010	10.0%	
85024000	9.5%	

TARIFF HEADING	RATE OF DUTY	
85032000	9.3%	
85051000	11.2%	bnm than 2550.00 IS each
85052000	11.2%	bnm than 2550.00 IS each
85058000	7.5%	
85059910	11.2%	
85059990	7.5%	
85061000	12.7%	
85062000	13.1%	
85063000	10.6%	
85064000	10.6%	
85069900	10.6%	
85089930	10.0%	
85089990	24.0%	
85099900	24.0%	
85100000	13.8%	
85111090	7.5%	
85112059	7.5%	
85112099	5.6%	
85113090	7.5%	
85118000	7.5%	
85119190	7.5%	
85121090	12.7%	
85123099	10.6%	
85124000	8.5%	
85129910	10.6%	
85129990	10.6%	
85131049	3.5%	
85131050	3.5%	
85132010	4.2%	
85132020	3.5%	
85141010	3.5%	
85141099	9.3%	
85149900	10.6%	
85153020	3.5%	
85153090	11.2%	
85154511	20.0%	
85154519	20.0%	
85154591	20.0%	
85154599	20.0%	
85154600	22.0%	
85157000	17.0%	
85159900	17.5%	
85181010	10.6%	
85181020	12.5%	
85181030	3.5%	

TARIFF HEADING	RATE OF DUTY
85192000	14.9%
85194010	3.5%
85194090	13.1%
85195500	14.9%
85195700	14.9%
85196500	14.9%
85196610	14.0%
85196690	14.9%
85197030	4.2%
85201090	12.7%
85202012	3.5%
85202019	12.7%
85202090	13.1%
85207010	4.0%
85207090	13.1%
85211000	21.0%
85223000	3.5%
85224500	7.5%
85224600	14.9%
85225000	7.5%
85225500	7.5%
85226091	3.5%
85231019	6.3%
85231090	3.5%
85232090	7.5%
85234010	4.2%
85239911	5.6%
85239919	7.5%
85249910	24.0%
85249990	10.0%
85259900	10.6%
85262000	free
85270000	10.0%
85281000	15.0%
87012000	20.0%
87021011	25.0%
87021012	25.0%
87021019	32.5%
87021090	24.5%
87022000	12.5%
87022519	21.2%
87022529	21.2%
87022610	10.0%
87022690	20.2%
87023010	3.5%

TARIFF HEADING	RATE OF DUTY
87023090	12.5%
87025010	12.5%
87025020	10.0%
87025030	7.5%
87025090	20.0%
87025100	174.00 IS per kg
87025510	20.0%
87025520	25.0%
87025590	23.7%
87029911	25.0%
87029919	23.7%
87029920	18.0%
87029930	20.0%
87029990	17.5%
87033000	7.5%
87035000	22.5%
87036000	20.0%
87036500	20.0%
87036600	10.0%
87037000	4.0%
87038000	4.0%
87039900	10.0%
87041000	3.7%
87042090	21.2%
87045000	20.0%
87046030	25.0%
87046090	23.7%
87046500	25.0%
87049900	24.0%
87059900	24.0%
87062000	.9%
87063000	14.8%
87064000	1.8%
87067000	15.0%
87069900	24.0%
87071013	10.0%
87071018	13.5%
87071020	24.0%
87073000	.9%
87079900	4.0%
87091000	10.0%
87099900	12.5%
87121010	8.5%
87121090	24.0%
87130000	12.7%

TARIFF HEADING	RATE OF DUTY	
87141020	10.0%	
87141090	5.0%	
87145010	15.0%	
87145020	.9%	
87145080	4.0%	
87145090	24.0%	
88049900	22.5%	
89011000	11.2%	
89012090	10.6%	
90012000	7.4%	
90013000	24.0%	
90031000	11.7%	
90032000	10.3%	
90040000	11.7%	
90052000	22.5%	
90059900	7.5%	
90071010	3.5%	
90079990	26.0%	
90084094	17.5%	
90129900	8.7%	bnm than 571.00 IS each
90133000	14.0%	
90134090	free	
90135000	21.2%	
90139990	3.5%	
90141020	9.3%	
90141090	3.5%	
90149900	8.5%	
90150000	3.5%	
90162020	7.5%	
90162030	8.5%	
90162090	3.5%	
90169910	7.5%	
90169990	12.7%	
90171000	3.5%	
90172113	1.2%	
90172114	10.6%	bnl than 2.58 IS each
90172119	3.7%	
90172190	3.7%	
90174000	12.5%	
90176000	12.5%	
90182010	4.0%	
90182090	12.5%	
90187010	7.5%	
90187021	5.3%	bnl than 128.00 IS each
90192020	11.2%	

TARIFF HEADING	RATE OF DUTY	
90192040	3.5%	
90199900	3.5%	
90220000	3.5%	
90233090	13.8%	
90239930	16.2%	
90239990	4.0%	
90241010	24.0%	
90241090	8.5%	
90242021	12.7%	
90242031	15.0%	
90244090	3.5%	
90249900	3.5%	
90251000	9.3%	
90252000	12.2%	
90256000	13.5%	
90262100	11.2%	
90274030	3.5%	
90274090	24.0%	
90277000	12.5%	
90279900	3.7%	
90281010	24.0%	
90281090	2.8%	
90282500	3.5%	
90285030	free	
90285050	13.5%	
90286022	3.5%	
90286029	24.0%	
90286040	12.5%	
90286090	3.7%	
90289910	18.7%	
90289990	7.5%	
90292090	10.0%	
90293090	13.5%	
90299900	2.8%	
91019910	7.5%	
91019991	6.7%	+ 158.00 IS each
91019999	5.6%	
91020000	14.8%	
91030000	4.0%	
91042000	13.1%	
91043000	22.5%	
91049900	14.8%	
91051000	15.7%	
91052000	13.1%	
91059900	5.6%	

TARIFF HEADING	RATE OF DUTY	
91061000	13.1%	
91069900	7.5%	
91071000	6.3%	
91079900	14.8%	
91081000	22.5%	
91082000	7.5%	
91083000	7.5%	
91089900	14.8%	
91099900	6.7%	
91100000	11.2%	
91111000	8.5%	
91119920	8.5%	
91119990	22.5%	
92012090	7.5%	bnl than32941.00 IS each
92019900	free	
92021000	14.8%	
92029900	7.5%	
92030000	free	
92040000	free	
92050000	free	
92061000	9.0%	
92069900	14.8%	
92071000	14.8%	
92079900	free	
92080000	free	
92101000	free	
92103500	12.0%	
92109900	14.8%	
92111000	11.2%	
92112000	11.2%	
92119900	8.7%	
92121020	3.5%	
92121030	7.5%	
92121090	4.0%	bnl than 61.49 IS each
92122019	7.5%	+ .20 IS per m
92122020	9.3%	
92122090	18.7%	
92123000	3.5%	
92124000	3.5%	
92129900	12.0%	
92131000	20.0%	
92139900	26.0%	
93010000	free	
93029990	free	
93041099	free	

TARIFF HEADING	RATE OF DUTY
93049900	free
93051090	free
93052000	free
93059900	free
93061010	free
93061090	free
93069900	free
94011000	25.0%
94019900	25.0%
94022000	3.5%
94029900	15.7%
94030000	25.0%
94042000	2.5% + 971.00 IS per kg
94042510	12.5%
94042590	5.0%
94042600	10.6%
94043010	6.3%
94043020	4.0%
94043090	10.6%
94049900	10.6%
95051010	1852.00 IS per kg
95051090	22.5%
95059900	free
95081000	13.5%
96011010	16.0%
96011099	14.8%
96012000	11.7%
96013000	14.8%
96019900	11.7%
97010000	14.8%
97020000	14.8%
97035090	14.8%
97039900	14.8%
97041000	17.5%
97042000	10.0%
97049900	14.8%
97059900	17.5%
97069900	9.5%
97079900	free
97081000	5.2%
97089900	22.5%
98013000	13.8% bnl than 258.00 IS per kg
98019900	14.0%
98021000	10.6%
98022010	10.6%

TARIFF HEADING	RATE OF DUTY
98022090	12.5%
98031010	6.3% bnl than 3.44 IS each
98031020	6.3% bnl than 2.10 IS each
98031030	13.5%
98032020	10.0% + 1.22 IS each
98032090	13.5%
98033000	10.6% bnl than 19.81 IS each
98039900	13.5%
98040000	13.5%
98054000	10.0%
98056090	17.0%
98060000	15.7%
98070000	16.0%
98081000	10.0%
98089900	14.8%
98090000	22.5%
98101000	15.7%
98109900	37.43 IS each
98119000	10.6%
98120000	15.0%
98140000	12.5%
98150000	10.6%
98162000	4.2%
98169900	17.0%

LIST B TO ANNEX 2

TARIFF HEADING

51011011
51011019
51011098
51029990
51049190
53051010
53061000
53069900
53071000
53079900
53081000
53089900
53091000
53099900
53101000
53110000
53121000
55050000
55061000
55069900
55080000
55094000
55099990
56011010
56011091

TARIFF HEADING

56012010
56021010
56021091
56022010
56041011
56041012
56041021
56042010
56051020
56051091
56051092
56051099
56052030
56052093
56052094
56061020
56061091
56061092
56062030
56062093
56062094
56071000
56072000
58043000
58044000

TARIFF HEADING

58049900
58071090
58103099
58104000
59031010
59031099
59079910
59100000
59119910
59129900
60011020
60011030
60011090
60012091
60019910
60019990
60039900
60042000
60044000
60051010
60051090
60063020
60063030
60064010
61012000

TARIFF HEADING

61019900
61022000
61029900
61031000
61032000
61033000
61039900
61041000
61042000
61049900
62020000
63010000
85031091
85031099
85132090
85199999
90259900
90285090

LIST C TO ANNEX 2

TARIFF HEADING

-8051000
01040000
02011010
02011020
02020000
02030000
02050000
03011000
03011500
03014020
03014090
03019900
03029900
03030000
04010000
04021000
04023000
04029000
04030000
04040000
04059900
04060000
04070000
05159900
06019900

TARIFF HEADING

06029900
06030000
06049900
07013000
07014000
07019900
07020000
07039900
07042000
07044000
07049900
08011000
08019911
08019919
08019920
08021000
08031000
08041000
08042000
08059900
08061000
08069900
08071000
08079900
08080000

TARIFF HEADING

08090000
08100000
08120000
09040000
10040000
11021000
11029900
11050000
11080000
12012000
12013000
12013500
12014000
12015000
12019900
12100000
15010000
15021000
15031000
15039900
15071031
15071032
15071034
15121000
15122000

TARIFF HEADING

15129990
15130000
16010000
16020000
16030000
16042090
16049900
16050000
17041000
17042000
17043000
17045000
18069910
18069990
19030000
19071000
19079900
19089900
20019900
20024010
20024090
20029900
20030000
20050000
20061000

TARIFF HEADING

20063000
20069900
20079900
21030000
21042000
21049900
21052000
21059910
21059990
21071000
21071500
21072000
21073000
21077000
21078000
21079900
22040000
22051000
22059900
22070000
22080000
22091000
22099900
23010000
23040000

TARIFF HEADING

23060000
23072000
23073000
23079900
24010000
24023000
27101510
27101590
27102500
27103000
27105090
27106000
27109990
27110000
27120000
27130000
27160000
29021040
29041010
29041020
29111000
29151000
29253000
30039910
30039990

TARIFF HEADING

30041000
30042010
30042090
30043000
30044000
30045000
30049900
31021000
32130000
33069900
34039990
36061000
36069900
37039999
37089900
38111090
38160000
39011053
39013520
39013540
39013593
39013594
39013596
39013597
39013599

TARIFF HEADING

39017000
39017590
39019900
39021019
39021021
39021029
39021033
39021036
39021039
39021040
39021069
39021090
39024000
39024500
39025010
39025051
39025059
39025060
39025093
39025094
39025095
39025096
39025097
39025099
39025591

TARIFF HEADING

39023592
39029990
39033000
39034032
39039941
39039949
39071010
39071300
39071420
39071430
39071449
39071450
39071460
39071471
39071479
39071481
39071489
39071490
39075100
39075621
39076530
39076540
39079920
39079930
39079941

TARIFF HEADING

39079990
40090000
40100000
40113099
40114090
40119900
40132010
40132091
40141090
41021090
41029920
41029990
41039900
41049900
41059900
41080000
41100000
42022000
42023000
42029900
44151500
44152000
44159900
44189900
44230000

TARIFF HEADING

48012090
48019910
48019990
48071090
48078000
48079910
48079990
48153000
48159990
48169900
48189900
48192000
48212000
48219990
49109900
64019900
64029900
64030000
64040000
68049990
68090000
68109900
70089900
70171090
70172000

TARIFF HEADING

70181010
73103500
73109992
73109999
73183010
73184090
73203090
73204010
73204090
73209990
73219900
73359900
74031120
74079900
74103000
74150000
74160000
76029990
76049990
76069900
76089900
82049900
82059900
82062000
83151090

TARIFF HEADING

84069990
84115091
84116090
84120000
84151000
84159911
84159919
84159991
84159999
84172000
84205090
84224000
84592090
84612000
84612500
84614000
84619900
84631021
85011089
85012140
85012182
85012189
85019990
85029900
85049900

TARIFF HEADING

85131090
85151000
85179900
85193590
85197090
85197500
85202020
85226099
85233000
85234090
85239929
85239990
85269900
86080000
87051000
90177090
90261020
90269900
90283690
97034000
98055000
98059900

ANNEX 3

[Rules of Origin]

1. This Agreement shall apply to any article if:

(a) that article is wholly the growth, product, or manufacture of a party or is a new or different article of commerce that has been grown, produced, or manufactured in a Party;

(b) that article is imported directly from one Party into the other Party; and

(c) the sum of (i) the cost or value of the materials produced in the exporting Party, plus (ii) the direct costs of processing operations performed in the exporting Party is not less than 35 percent of the appraised value of the article at the time it is entered into the other Party.

2. No article shall be considered a new or different article of commerce under this Agreement and no material shall be eligible for inclusion as domestic content under this Agreement by virtue of having merely undergone (1) simple combining or packaging operations or (2) mere dilution with water or with another substance that does not materially alter the characteristics of the article or material.

3. For the purposes of this Agreement, the expression "wholly

the growth, product, or manufacture of a Party" refers both to any article which has been entirely grown, produced, or manufactured in a Party and to all materials incorporated in an article which have been entirely grown, produced, or manufactured in a Party, as distinguished from articles or materials imported into a Party from a non-participating country, whether or not such articles or materials were substantially transformed into new or different articles of commerce after their importation into the Party.

4. For the purposes of this Agreement, "country of origin" requires that an article or material, not wholly the growth, product, or manufacture, of a Party, be substantially transformed into a new and different article of commerce, having a new name, character, or use, distinct from the article or material from which it was so transformed.

5. For purposes of determining the 35 percent domestic content requirement under this Agreement, the cost or value of materials which are used in the production of an article in one Party, and which are products of the other Party, may be counted in an amount up to 15 percent of the appraised value of the article. Such materials must in fact be products of the importing Party under the country of origin criteria set forth in this Agreement.

6. (a) For the purposes of this Agreement, the cost or value of materials produced in a Party includes:

(i) The manufacturer's actual cost for the materials;

(ii) When not included in the manufacturer's actual cost for the materials, the freight, insurance, packing, and all other costs incurred in transporting the materials to the manufacturer's plant;

(iii) The actual cost of waste or spoilage (material list), less the value of recoverable scrap; and

(iv) Taxes and/or duties imposed on the materials by a Party, provided they are not remitted upon exportation.

(b) Where a material is provided to the manufacturer without charge, or at less than fair market value, its cost or value shall be determined by computing the sum of:

(i) All expenses incurred in the growth, production, or manufacture of the material, including general expenses;

(ii) An amount for profit; and

(iii) Freight, insurance, packing, and all other costs incurred in transporting the material to the manufacturer's plant. If the pertinent information needed to compute the cost or value of a material is not available, the appraising officer may ascertain or estimate the value thereof using all reasonable ways and means at his disposal.

7. For the purposes of this Agreement, direct costs of processing operations performed in a Party mean those costs either directly incurred in, or which can be reasonably allocated to, the growth, production, manufacture, or assembly, of the specific article under consideration. Such costs include, but are not limited to the following, to the extent that they are includible in the appraised value of articles imported into a Party:

(a) all actual labor costs involved in the growth, production, manufacture, or assembly, of the specific article, including fringe benefits, on-the-job training, and the cost of engineering, supervisory, quality control, and similar personnel;

(b) dies, molds, tooling and depreciation on machinery and equipment which are allocable to the specific article;

(c) research, development, design, engineering, and blueprint costs insofar as they are allocable to the specific article; and

(d) costs of inspecting and testing the specific article.

Those items that are not included as direct costs of processing operations are those which are not directly attributable to the articles under consideration or are not costs of manufacturing the product. These include, but are not limited to:

(i) profit; and

(ii) general expenses of doing business which are either not allocable to the specific article or are not related to the growth, production, manufacture, or assembly, of the article, such as administrative salaries, casualty and liability insurance, advertising, and salesmen's salaries, commissions, or expenses.

8. For the purposes of this Agreement, "imported directly" means:

(a) direct shipment from one Party into the other Party without passing through the territory of any intermediate country; or

(b) if shipment is through the territory of an intermediate country, the articles in the shipment do not enter into the commerce of any intermediate country and the invoices, bills of lading, and other shipping documents, show the other Party as the final destination; or

(c) if shipment is through an intermediate country and the invoices and other documents do not show the other Party as the final destination, then the articles in the shipment, upon arrival in that Party, are imported directly only if they

(i) remain under the control of the customs authority in an intermediate country;

(ii) do not enter into the commerce of an intermediate country except for the purpose of a sale other than at retail, provided that the articles are imported as a result of the original commercial transaction between the importer and the producer or the latter's sales agent;

(iii) have not been subjected to operations other than loading and unloading, and other activities necessary to preserve the article in good condition; and

(iv) comply with the origin requirements for articles exported to a Party from the other Party under this Agreement as stated in the documents required under the certification procedure.

9. All articles entered under this Agreement shall be documented by a certificate, specimens of which are given in the attachment to this Annex, signed by the exporter to be completed in accordance with the rules specified in the certificate. The certificate should contain sufficient information to identify the articles described on the certificate as the articles to be exported and a statement as to the percentage of value added in a Party and that the articles comply with the country of origin requirements set forth in this Agreement. The certificate will be presented to the Customs authorities of the importing Party in accordance with its internal regulations.

Notwithstanding the above, either Party may waive production of the certificate on a case by case basis for articles imported into such Party and for which the benefits of this Agreement are claimed, if the Party is otherwise satisfied that the imported articles comply with the country of origin requirements set forth in this Agreement.

The exporter or person signing the certificate of origin shall be prepared to submit a declaration setting forth all pertinent details, concerning the production or manufacture of the articles, which were used to prepare the certificate of origin. The information on the declaration should contain at least the following pertinent details:

A. a description of the article, quantity, numbers and marks of packages, invoice numbers, and bills of lading;

B. a description of the operations performed in the production of the article in a Party and identification of the direct costs of processing operations;

C. a description of any materials used in production of the article which are wholly the growth, product, or manufacture of either Party, and a statement as to the cost or value of such materials;

D. a description of the operations performed on, and a statement as to the origin and cost or value of, any foreign materials used in the article which are claimed to have been sufficiently processed in a Party so as to be materials produced in that Party; and

E. a description of the origin and cost or value of any foreign materials used in the article which have not been substantially transformed in a Party.

This declaration shall be prepared and submitted upon request by a Party. A declaration should only be requested when a Party has reason to question the accuracy of the statements on a certificate of origin, or when a Party randomly verifies certificates of origin.

10. In order to further the administration of this Agreement, the Parties agree to assist each other in obtaining information for the purpose of reviewing transactions made under this Agreement in order to verify compliance with the conditions set forth in this Agreement.

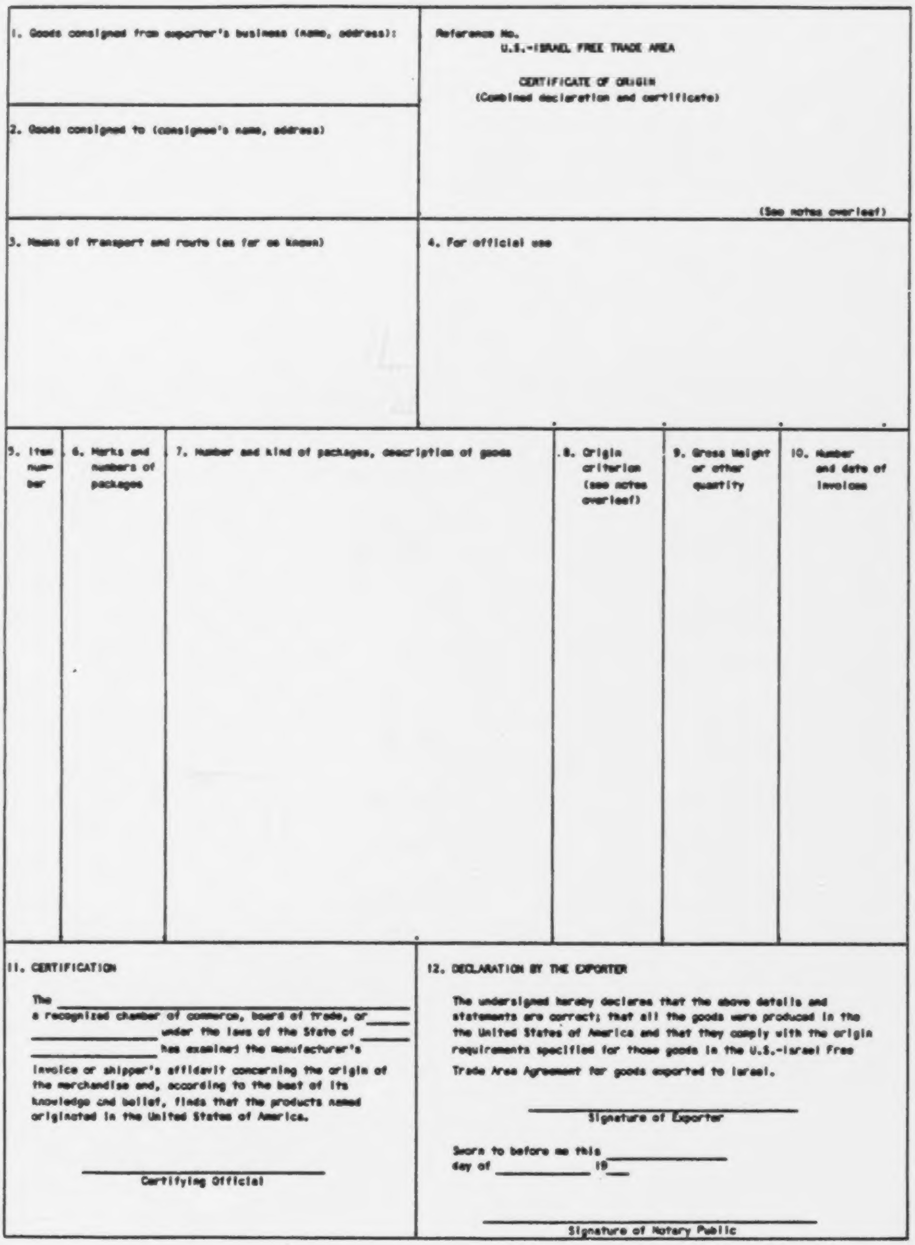
11. The Parties will consult from time to time on the interpretation of these provisions and on practical problems which may arise with a view to prevent unnecessary barriers to trade which are inconsistent with the objectives of this Agreement. In this connection, amendments of the present rules could be proposed.

Attachment

Specimens of Certificates of Origin

An original of Attachment I shall be used for exports of the United States and an original of Attachment II shall be used for exports of Israel.

ATTACHMENT I



1. Goods consigned from exporter's business (name, address):

2. Goods consigned to (consignee's name, address)

Reference No.
U.S.-ISRAEL FREE TRADE AREA

CERTIFICATE OF ORIGIN
(Combined declaration and certificate)

(See notes overleaf)

3. Means of transport and route (as far as known)

4. For official use

5. Item number	6. Marks and numbers of packages	7. Number and kind of packages, description of goods	8. Origin criterion (see notes overleaf)	9. Gross Weight or other quantity	10. Number and date of invoices

11. CERTIFICATION

The ______________________________
a recognized chamber of commerce, board of trade, or ______
______________ under the laws of the State of ______
______________ has examined the manufacturer's invoice or shipper's affidavit concerning the origin of the merchandise and, according to the best of its knowledge and belief, finds that the products named originated in the United States of America.

____
Certifying Official

12. DECLARATION BY THE EXPORTER

The undersigned hereby declares that the above details and statements are correct; that all the goods were produced in the the United States of America and that they comply with the origin requirements specified for those goods in the U.S.-Israel Free Trade Area Agreement for goods exported to Israel.

____
Signature of Exporter

Sworn to before me this ____________
day of ____________ 19__

____
Signature of Notary Public

NOTES

1. Conditions. The main conditions[1] for admission under the Free Trade Area (FTA) Agreement between the United States of America and Israel (the Agreement) are:

   (a) The goods must be consigned direct from the United States of America to Israel but in most cases shipment through one or more intermediate countries is accepted provided that the goods did not enter into the commerce of that country and otherwise complied with the direct shipment requirements of the Agreement.

   (b) The goods comply with the origin criteria specified in the Agreement. Indication of the origin requirements is given in paragraph 2.

   (c) Each article in a consignment must qualify separately in its own right concerning the rules of origin and direct shipment.

2. Origin requirements for goods originating in the United States of America.

---

[1] The conditions specified on this Form are for reference purposes only and do not change in any way or manner the binding rules of origin as specified in Annex III to the FTA Agreement between the United States of America and Israel.

The Agreement shall apply to any article if:

(a) That article is wholly the growth, product, or manufacture of the United States of America or is a new or different article of commerce that has been grown, produced, or manufactured in the United States of America.

(b) The sum of (a) the cost or value of the materials produced in the United States of America plus (b) the direct cost of processing operations performed in the United States of America is not less than 35 percent of the appraised value of the article at the time it is entered into Israel.

No article shall be considered a new or different article of commerce under the Agreement and no material shall be eligible for inclusion as domestic content under the Agreement by virtue of having merely undergone (a) the simple combining or packaging operations or (b) mere dilution with water or with another substance that does not materially alter the characteristics of the article or material.

The expression "wholly the growth, product, or manufacture of the United States of America" refers both to any article which has been entirely grown, produced, or manufactured in the United States of America and to all materials incorporated in an article which have been entirely grown, produced, or manufactured in the United States, as distinguished from articles or materials imported into the United States of America from a third country, whether or not such articles or materials were substantially transformed into new or different articles of commerce after their importation into the United States of America.

"Country of origin" requires that an article or material, not wholly the growth, product, or manufacture of the United States of America, be substantially transformed into a new and different article of commerce, having a new name, character, or use, distinct from the article or material from which it was so transformed.

For purpose of determining the 35 percent U.S.A. content requirement under the Agreement, the cost or value of materials which are used in the production of an article in the United States of America, and which are the products of Israel, may be counted in an amount up to 15 percent of the appraised value of the article. Such materials must in fact be products of Israel under the country or origin criteria set forth in the Agreement.

3. Entries to be made in Box 8.

Products must be either wholly obtained in accordance with the rules of the Free Trade Agreement or sufficiently worked or processed to fulfill the requirements of the

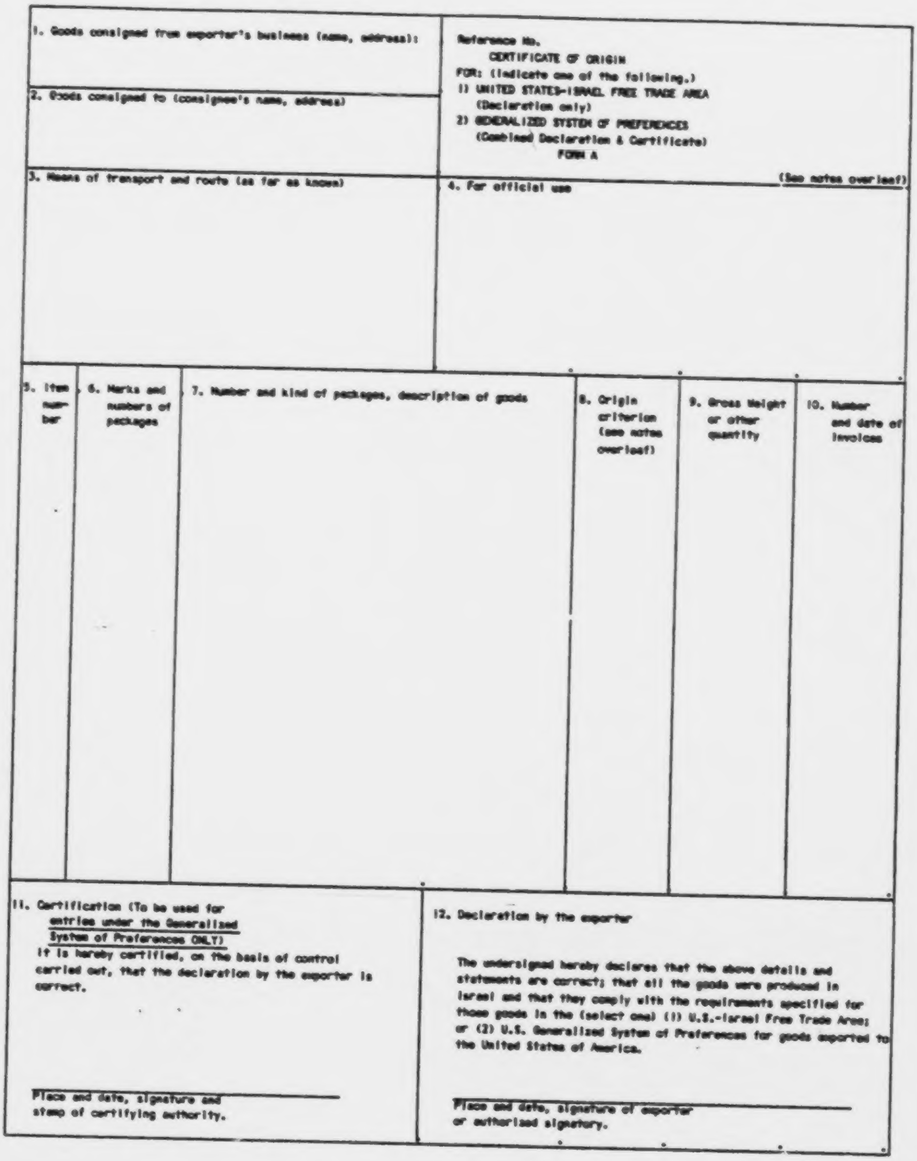
Free Trade Area Agreement.

(1) Products wholly grown, produced, or manufactured in the United States: enter the letter P in Box 8.

(2) Products sufficiently worked or processed in the United States of America: enter in Box 8 a Y value for the sum of the cost or value of the domestic materials and the direct cost of processing expressed as a percentage of the ex-factory price of the exported products. (Example: Y=35%.)

4. The declaration of the exporter on this certificate shall be notarized by a notary public and certified by an appropriately constituted local business organization, such as a chamber of commerce or board of trade.

ATTACHMENT II



1. Goods consigned from exporter's business (name, address):

2. Goods consigned to (consignee's name, address)

3. Means of transport and route (as far as known)

Reference No.
CERTIFICATE OF ORIGIN
FOR: (Indicate one of the following.)
1) UNITED STATES-ISRAEL FREE TRADE AREA
(Declaration only)
2) GENERALIZED SYSTEM OF PREFERENCES
(Combined Declaration & Certificate)
FORM A

(See notes overleaf)

4. For official use

5. Item number	6. Marks and numbers of packages	7. Number and kind of packages, description of goods	8. Origin criterion (see notes overleaf)	9. Gross Weight or other quantity	10. Number and date of invoices

11. Certification (To be used for entries under the Generalized System of Preferences ONLY)

It is hereby certified, on the basis of control carried out, that the declaration by the exporter is correct.

Place and date, signature and stamp of certifying authority.

12. Declaration by the exporter

The undersigned hereby declares that the above details and statements are correct; that all the goods were produced in Israel and that they comply with the requirements specified for those goods in the (select one) (1) U.S.-Israel Free Trade Area; or (2) U.S. Generalized System of Preferences for goods exported to the United States of America.

Place and date, signature of exporter or authorized signatory.

NOTES

1. Conditions. The main conditions[2] for admission under the Trade Area (FTA) Agreement between Israel and the United States of America are:

   (a) The goods must be consigned direct from Israel to the United States of America but in most cases shipment through one or more intermediate countries is accepted provided that the goods did not enter into the commerce of that country and otherwise complied with the direct shipment requirements of the Agreement.

   (b) The goods comply with the origin criteria specified in the Agreement. Indication of the origin requirements is given in paragraph 2.

   (c) Each article in a consignment must qualify separately in its own right concerning the rules of origin and direct shipment.

2. Origin requirements for goods originating in Israel.

   The Agreement shall apply to any article if:

---

[2] The conditions specified on this Form are for reference purposes only and do not change in any way or manner the binding rules or origin as specified in Annex III of the FTA Agreement between Israel and the United States of America.

(a) That article is wholly the growth, product, or manufacture of Israel or is a new or different article of commerce that has been grown, produced or manufactured in Israel.

(b) The sum of (a) the cost or value of the materials produced in Israel plus (b) the direct cost of processing operations performed in Israel is not less than 35 percent of the appraised value of the article at the time it is entered into the United States of America.

No article shall be considered a new or different article of commerce under the Agreement and no material shall be eligible for inclusion as domestic content under the Agreement by virtue of having merely undergone (a) simple combining or packaging operations or (b) mere dilution with water or with another substance that does not materially alter the characteristics of the article or material.

The expression "wholly the growth, product, or manufacture of Israel" refers both to any article which has been entirely grown, produced or manufactured in Israel and to all materials incorporated in an article which have been entirely grown, produced, or manufactured in Israel, as distinguished from articles or materials imported into Israel from a third country, whether or not such articles or materials were substantially transformed into new or different articles of commerce after their importation into Israel.

"Country of origin" requires that an article or material, not wholly the growth, product, or manufacture of Israel, be substantially transformed into a new and different article of commerce, having a new name, character or use, distinct from the article or material from which is was so transformed.

For purposes of determining the 35 percent Israeli content requirement under the Agreement, the cost or value of materials which are used in the production of an article in Israel, and which are the products of the United States of America, may be counted an amount up to 15 percent of the appraised value of the article. Such materials must in fact be products of the United States of America under the country of origin criteria set forth in the Agreement.

3. Entries to be made in Box 8.

Products must be either wholly obtained in accordance with the rules of the Free Trade Area Agreement or sufficiently worked or processed to fulfill the requirements of the Free Trade Area Agreement.

(1) Products wholly grown, produced, or manufactured in

the United States of America: enter the letter P in Box 8.

(2) Products sufficiently worked or processed in Israel: enter in Box 8 a Y value for the sum of the cost or value of the domestic materials and the direct cost of processing expressed as a percentage of the ex-factory price of the exported products. (Example: Y=35%.)

4. The declaration of the exporter on this certificate shall be required.

Generalized System of Preferences

The Notes included in Form A will apply to the use of this form for the purposes of the Generalized System of Preferences.

ANNEX 4

[Commitment on Subsidies]

Dear Ambassador Brock:

Our two governments have just concluded a historic agreement establishing a Free Trade Area between Israel and the United States of America.

One of the fundamental objectives of the agreement is to remove trade barriers and other non-tariff distortions to trade, including the elimination of export subsidies. In furtherance of these objectives, I am honoured to propose the following agreement by the Government of Israel with regard to major programs which contain or have contained export subsidy elements.

I am pleased to inform you that the Government of Israel will accede to the Agreement on Interpretation and Application of Articles VI, XVI and XXIII of the General Agreement on Tariffs and Trade no later than the effective date of this Agreement.
In the meeting of July 11, 1984 between Minister Patt and yourself it was agreed that export subsidy elements exist in the following major programs for encouraging exports maintained by Israel:

Programs for financing exports or processing for exports

(a) Export Shipment Fund

(b) Export Production Fund

(c) Imports for Export Fund

(d) Medium Term Capital Goods Export Credits

I am honoured to inform you that the Government of Israel commits itself, pursuant to Article 14 of the Agreement on Interpretation and Application of Articles VI, XVI and XXIII of the General Agreement on Tariffs and Trade (the Subsidies Code), and relating to exports of products other than certain primary products[1] not to institute any new export subsidy programs, and not to increase the level of subsidization[2] in these programs above their level as existed on July 11, 1984, and to eliminate the subsidy elements in these programs as follows:

- With regard to the Export Shipment Fund and the foreign currency portion of the Export Production Fund, the Government of Israel will continue its current practice of providing no export subsidy elements.

---

[1] "Certain primary products" shall be defined in accordance with footnote 29 to Article 9 of the Subsidies Code.

[2] "Level of subsidization" shall be defined, for the purposes of this letter, as the percentage point spread between the lending rates for each program and the rates which the Government of Israel(or special institutions controlled by and/or acting under the authority of the Government of Israel) actually has to pay for the funds so employed (or, if applicable, would have to pay if it borrowed on international capital markets in order to obtain funds of the same maturity and denominated in the same currency as the program funds).

- With regard to local currency financing under the Export Production Fund, Israel will freeze the export subsidy element for four years from the date of accession to the Subsidies Code, and will eliminate the export subsidy element by six years from the date of accession to the Subsidies Code.

- With regard to the Imports for Export Fund, Israel will freeze the export subsidy element for one year from the date of accession to the Subsidies Code, and will eliminate the export subsidy element by two years from the date of accession to the Subsidies Code.

- With regard to the Medium Term Capital Goods Export Credits or any other officially-sanctioned export financing with a maturity of two years or more, Israel will apply the interest rates provisions of the Arrangement on Guidelines for Officially Supported Export Credits of the Organization for Economic Cooperation and Development for any loans granted on and after the effective date of this Agreement.

On and after April 1, 1985, neither Party shall impose requirements to export as a condition for receiving any type of investment incentive.

It is understood that the parties will consult upon request of either party, or whenever special circumstances so require including balance of payments circumstances concerning the functioning of this agreement.

Sincerely,

Ariel Sharon

The United States - Israel Free Trade Area Implementation Act

Statement of Administrative Action

The implementing bill for the U.S. - Israel Free Trade Area Agreement approves and implements the free trade agreement negotiated by the United States and Israel under the authority of section 102 of the Trade Act of 1974, as amended by Title IV of the Trade and Tariff Act of 1984.

The implementing bill proposes certain changes to United States trade law which are necessary or appropriate to implement the U.S.-Israel Free Trade Area Agreement. This statement of administrative action, required under the provisions of section 102 of the Trade Act of 1974, summarizes such changes and describes the manner in which the proposed legislation is to be administered.

Implementing Bill

Section 1 -- Short Title

Section 2 -- Purposes of Act

The purposes of the implementing bill includes strengthening of U.S.-Israeli economic relations, the removal of trade barriers between the two nations and Congressional approval of the Agreement negotiated with Israel by the United States.

Section 3 -- Approval of Israel Free Trade Agreement

This section of the legislation provides for approval of the U.S.-Israel Free Trade Area Agreement submitted to Congress under the procedures of section 102 of the Trade Act of 1974, and section 151 of the Trade Act of 1974; and this statement of administrative action.

Section 4 -- Proclamation Authority

Subsection (a) provides the President with the authority to proclaim the changes in the Tariff Schedules of the United States to carry out the schedule of duty reductions set out in Annex 1 of the Agreement. Subsection (c) of this section provides an exception to the exercise of this authority with respect to articles set out in paragraph 4 of Annex 1 of the Agreement. These articles are those which were designated to be "import sensitive" in the report of the United States International Trade Commission to the President on the Probable Economic Effect of Providing Duty Free Treatment on Imports from Israel (Investigation 332-180). At the time of entry into force of the Agreement, the President shall proclaim duty free treatment for all articles provided for in Annex 1 by January 1, 1995. However, by the terms of this Act, the duty reductions for the articles in paragraph 4 of Annex 1 shall not take effect until January 1, 1995. Earlier inclusion of these articles into the Agreement may only occur if Congress passes new legislation.

Subsection (b) provides the President with proclamation authority sufficient to enable the United States to maintain the general level of reciprocal and mutually advantageous concessions with respect to Israel as the Agreement evolves and to compensate or retaliate in the event of a trade dispute with Israel. In addition, this section provides sufficient authority for the President to make the necessary changes to the Tariff Schedules of the United States if the United States adopts the Harmonized Commodities Code.

Section 5. -- Relationship of Agreement to United States Law

The implementing bill approves and implements the U.S.-Israel Free Trade Area Agreement negotiated under the authority of section 102 of the Trade Act of 1974. The Agreement is not self-executing and accordingly does not have independent effect under U.S. law. However, the Agreement was negotiated to be fully consistent with Title IV of the Trade and Tariff Act of 1984, and the implementing bill and this statement regarding the administration of U.S. law have been developed to be fully consistent with the Agreement. When this implementing bill becomes effective, it will permit the United States to carry out all of its obligations under the Agreement.

Proposed regulations for the purpose of implementing the Agreement under U.S. law will be published in proposed form for public comment before being put into effect. Initial regulations to implement the Agreement with respect to rules of origin and the fast track procedures for perishable articles shall be promulgated within six months. Regulations with respect to government procurement shall be promulgated within one year. If, in order to conform U.S. law to a change in the Agreement, an existing statute must be modified or new statutory authority must be granted, the President will be authorized to submit a proposed bill to the Congress under the procedures of section 3(c) of the Trade Agreements Act of 1979.

Any legislation to provide for the duty reductions in the import sensitive articles provided for in paragraph 4 of Annex 1 may be introduced following the expedited procedures under section 151 of the Trade Act of 1974 only if such reductions take effect after December 31, 1985, occur gradually over the period of January 1, 1990 to January 1, 1995, the duty elimination does not occur prior to January 1, 1995, and the Administration consults with Congress at least ninety days before such an implementing bill is submitted. Before the submission of any legislation affecting import sensitive articles, it is the Administration's intention to seek the advice of the United States International Trade Commission on these articles.

No private remedy is created by the entry into force of this Agreement.

Section 6. -- Termination

This provision waives the requirements of section 125(a) of the Trade Act of 1974 which provides a limitation of three years on any agreement entered into under authority of that Act and a six month notice for termination and withdrawal. The Agreement will remain in force unless it is terminated by either the United States or Israel after notification and the expiration of twelve months.

Section 7. -- Lowered Threshold for Government Procurement Under Trade Agreements Act of 1979 in the Case of Certain Israeli Products

A. Summary

Both Israel and the United States are parties to the international Government Procurement Code which was approved by Congress in the Trade Agreements Act of 1979. The Code provides for the waiver of "buy national" restrictions on a reciprocal basis for a broad range of U.S. and Israeli purchases.

Under Article 15 of the Free Trade Area Agreement, the United States and Israel have agreed to a further elimination of government procurement related trade restrictions by lowering, on a bilateral basis, the threshold for application of the Code from 150,000 SDRs (about $156,000) to $50,000. Also, Israel will eliminate buy national restrictions in regard to purchases of non-military products by its Ministry of Defense. It should be noted that unlike the United States, non-military purchases by Israel's Ministry of Defense are not presently covered by the Government Procurement Code.

As part of these actions to remove barriers related to Government Procurement, Israel has also agreed to relax offset requirments in regard to purchases by its civilian agencies. There will be four elements to Israel's implementation of this provision:

1. Offsets will no longer be required in respect of purchases valued at less than $500,000.

2. Israel will decrease the volume of civilian government procurement from U.S. firms subject to offset requirements from its current level of approximately 40 percent, in terms of value of annual procurement, to a level not to exceed 20 percent.

3. In regard to remaining offset requirements by civilian agencies, Israel will not require warranties or impose penalties to compel U.S. firms to implement offsets.

4. Israel will not use offset requirements to require U.S. firms to purchase goods that are not offered on competitive

terms or to take any other action which is not justified from a commercial standpoint.

The Agreement only applies to purchases by the United States that would be subject to the Code, but for the Code's 150,000 SDR threshold. It will not affect U.S. purchases that are exempt from the Government Procurement Code for other reasons such as purchases subject to the Berry Amendment, federal funding programs, and set-asides for small and minority businesses. Further, the Agreement will not affect labor surplus set-asides. Other areas of procurement not subject to the Agreement include:

1. construction contracts;

2. service contracts (the Agreement does apply to services incidental to the purchase of goods where the value of such services does not exceed the value of the goods);

3. purchases by U.S. agencies which are not subject to the Government Procurement Code (e.g. the Departments of Transportation and Energy, the Bureau of Reclamation, the Corps of Engineers, and the Tennessee Valley Authority);

4. purchases by the Department of Agriculture for farm support and human feeding programs; and

5. purchases by state and local governments.

The Agreement does not apply to purchases that are exempt from Code coverage at the time the Agreement enters into force for reasons other than application of the Code's 150,000 SDR threshold. Therefore, should the coverage of the Government Procurement Code be broadened through renegotiation, the coverage of the Free Trade Agreement will not be affected. However, should the number of U.S. or Israeli agencies subject to the Code be broadened through renegotiation, the Agreement provides that priority consideration will be given to similarly amending the Agreement.

The procurement provisions of the Free Trade Agreement will not take effect for purchases by civilian agencies, or in regard to offset requirements, until one year after the Agreement enters into force. This one year delay was provided to allow both the United States and Israel sufficient time to modify their procurement practices and familiarize procurement officials with these new practices. The Agreement's provisions regarding procurement by our Defense Department and Israel's Ministry of Defense will not take effect until one year after entry into force of the Agreement or one year after completion of Israel's list of national security exceptions, whichever is later. This approach was taken to ensure that there will be sufficient time for Israel to prepare its list of national security exceptions which we can agree is comparable in character and extent to the

U.S. list of national security exceptions.

B. Administrative Action

Section 7 of the proposed bill would authorize the President to waive procurement restrictions in respect of Israel for all purchases subject to the U.S.-Israel Free Trade Area Agreement, (i.e. products or services of Israel of a contract value of at least $50,000 currently covered by the Government Procurement Code but for the SDR 150,000 threshold). This waiver authority is strictly limited to such purchases covered by the Agreement. Therefore, it could not be used to waive restrictions which are not subject to the Agreement such as the Berry Amendment, funding restrictions on federal grant aid, or set-asides for small, minority or labor surplus concerns.

Using the authority provided under this provision, the President will waive laws, regulations and practices as necessary to comply with the Agreement. These waivers will not take effect until the procurement provisions of the Agreement come into effect. Agencies will be instructed to modify their regulations accordingly. Section 25 of the Federal Acquisition Regulations will thereby be amended to provide for waiver of the Buy American Act and Balance of Payments Program for purchases subject to the Agreement.

The Administration will make a concerted effort to assist U.S. firms to take full advantage of the opportunities created by the Agreement. These actions will include providing information to U.S. firms on the Israeli procurement market and upcoming purchases as well as closely monitoring implementation of the Agreement.

C. Effects on U.S. Law

1. Existing Legislation Which Will Be Affected by the Agreement

Buy American Act (41 U.S.C. 10, and E.O. 10582 of December 17, 1954) -- Buy American preference margins in favor of domestic firms will be waived in respect of purchases subject to the Agreement.

2. Related Legislation Which Will Not be Affected by the Agreement

a) Small Business, Labor Surplus Area, and Minority Business Programs -- Set-asides, that is, purchases reserved for small, labor surplus area and minority businesses are excluded from the Agreement's coverage.

b) "Berry Amendment" Types of Restrictions on the Department of Defense -- (Department of Defense Appropriations Act, P.L. 95-457) The Berry Amendment and similar restrictions will continue to apply, requiring DoD to purchase, solely from U.S. sources, its needs for textiles, clothing, shoes, food, stainless steel flatware, certain specialty metals, buses (P.L. 90-500, Sec. 404) ships, and components thereof (Byrnes-Tollefson Amendment to DoD Appropriations Act).

c) Hand Tools (GSA Appropriations Act) -- Fifty percent differential in favor of domestic suppliers for all procurements of hand tools will not be affected because purchasing entities are not covered.

d) Prison-and Blind-Made Goods -- (18 U.S.C. 4124 and 41 U.S.C. 48) are an exception to the Agreement's coverage.

e) Cargo Transportation Preferences -- (10 U.S.C. 2631, 46 U.S.C. 1241 (B) (1), International Air Transportation Fair Competitive Practices Act of 1974, P.L. 92-623) are specifically not covered by the U.S. as a service "incidental" to a procurement.

Section 8. -- Technical Amendments

Subsection (a)(1) provides for a technical change to section 403 of the Trade and Tariff Act of 1984 in order that the rules of origin requirements set out for an agreement with Israel shall be made part of U.S. domestic law.

Subsection (a)(2) brings the provision of section 404 of the Trade and Tariff Act concerning emergency relief for agricultural perishables into conformity with the product coverage under section 213(f) of the Caribbean Basin Recovery Act.

Subsection (a)(3) redesignates a misnumbered section in the

Trade and Tariff Act of 1984.

Subsection (b)(1) amends section 102 of the Trade Act of 1974, as amended by the Trade and Tariff Act of 1984, to clarify the intention of the Congress that no trade benefit resulting from a trade agreement providing for reductions in duty shall be extended to any country by reason of the extension of any trade benefit to another country.

Subsection (b)(2) amends the Trade Act of 1974 to enable the President to make the necessary changes in the Tariff Schedules of the United States to reflect the tariff changes for this Agreement.

Plan for Implementation

I. Changes Necessary in Tariff Schedules of the United States. Proposed Use of Section 5 Proclamation Authority

As the first step in implementing U.S. duty reductions with respect to products of Israel provided for in Annex 1 of the Agreement, the President, under the authority granted in Section 5 of the implementing legislation, will proclaim the modifications in the Tariff Schedules of the United States (TSUS) necessary to carry out the Agreement. The proclamation will provide immediate duty-free treatment for some products of Israel on the date the Agreement enters into effect. For some products, it will provide reduced duties on the effective date of the Agreement, a second duty reduction January 1, 1987, and duty-free treatment on January 1, 1989. For a third group of products, the proclamation will remove duties in eight staged reductions, with the final stage of duty-free treatment to become effective January 1, 1995. The proclamation will provide duty free treatment on a small group of products specified in paragraph 4 of Annex 1 of the Agreement effective January 1, 1995.

The Free Trade Area Agreement with Israel becomes the fifth special tariff regime providing preferential tariff treatment for products of certain countries to be incorporated into the present tariff schedules since they became effective in 1963. As these past special regimes were developed, a different method was used to reflect each of these in the TSUS, each adding its own complexity to an already difficult and complicated document. To simplify the manner in which these special regimes are reflected in the TSUS, the Administration has decided to make a substantial change in the format of the TSUS at the time the special tariff treatment for products of Israel is implemented.

The TSUS presently contains three rate columns (Column 1, LLDC, and Column 2). Preferential duty-free status for certain products from certain countries under the Generalized System of Preferences (GSP) is indicated by annotations (A or A*) in a GSP column preceding the item number. Preferential duty-free treatment for imports, with certain exceptions, from certain countries under the Caribbean Basin Economic Recovery Act is provided in a headnote. The exceptions also are flagged by underlining the statistical suffix to the TSUS item.

In the proposed new format of the TSUS, the "LDDC" rate column will be deleted and replaced by a column entitled "Special". This "Special" column will be used to reflect for each TSUS item the preferential tariff treatment, if any, associated with that item under all present and future special tariff programs, except the duty-free treatment accorded Canadian automotive products under the Automotive Products Trade Act of 1965. The GSP column on each page will be deleted.

Programs under which preferential tariff treatment may be provided at the time the new format goes into effect, and the corresponding symbols for such programs as they will be indicated in the "Special" column, are as follows:

Generalized System of Preferences (GSP)	A or A*
Least Developed Developing Countries (LDDC)	D
Caribbean Basin Economic Recovery Act (CBERA)	E or E*
Products of Israel	I

Following is a hypothetical example of the new format --

		Rates of duty		
Item	Articles	Column 1	Special	Column 2
791.35	Leather welting	4% ad val.	3.7% ad val. (D) Free (A, E, I)	12.5% ad. val.

In this example, leather welting imports will be dutiable--

a) at a rate of 4% ad valorem if the product of countries entitled to MFN treatment (but not entitled to "special" tariff treatment);

b) at a rate of 12.5% ad valorem if the product of countries subject to column 2 treatment;

c) at a rate of 3.7% ad valorem if the product of countries entitled to LDDC treatment; or

d) at a rate of free if the product of Israel or of countries entitled to treatment under the GSP or CBERA programs.

In addition to this change in format, TSUS general headnote 3 will be modified to add a new subdivision reflecting the preferential tariff treatment for products of Israel. The headnote also will be modified to make conforming changes to the language of the subdivisions relating to the GSP, LDDC and CBERA programs. Certain TSUS product descriptions will be modified to create new subcategories in existing TSUS items in order to reflect the differences in tariff treatment which products in these items will receive under the U.S.-Israel Free Trade Area Agreement. Most of these new TSUS items are expected to be created in schedule 3.

II. Fast Track Procedures for Perishable Articles

Section 404 of the Trade and Tariff Act of 1984 provides for the procedure by which an entity representative of a U.S. industry producing perishable agricultural products can submit a request to the U.S. Department of Agriculture for emergency relief from increased, injurious imports of like products from Israel.

Upon passage of the U.S.-Israel Free Trade Area Implementation Act, the Administration intends to publish in the Federal Register a proposed rule for public comment to establish the necessary regulations to implement section 404.

The following shall be the text of the proposed rule:

List of Subjects in 7 CFR Part 1540

International agricultural trade, Israel, Perishable products

Part 1540--[AMENDED]

In accordance with the above, it is proposed to amend 7 CFR Part 1540 by adding the following new Subpart B -- Emergency Relief from Certain Perishable Products Imported from Israel:

SUBPART B--EMERGENCY RELIEF FROM CERTAIN PERISHABLE PRODUCTS IMPORTED FROM ISRAEL

Sec.

1540.20 Applicability of Subpart.

1540.21 Definitions.

1540.22 Who May File Request.

1540.23 Contents of Request.

1540.24 Determination of the Secretary of Agriculture.

1540.25 Information.

Authority: Sec. 404, P.L. 98-573; 5 U.S.C. 301.

Cross Reference: For U.S. International Trade Commission regulations concerning investigations of import injury and the rules pertaining to the filing of a Section 201 petition, see 19 CFR Part 206.

1540.20 Applicability of Subpart.

This subpart applies to requests filed with the Department of Agriculture under section 404 of the Trade and Tariff Act of 1984, P.L. 98-573, (the "Act"), for emergency relief from imports of certain perishable products from Israel entering the United

States at a reduced rate of duty or duty-free pursuant to a trade agreement between the United States and Israel entered unto under Section 102(b)(1) of the Trade Act of 1974, as amended.

1540.21 Definition.

"Perishable product" means:

(1) live plants provided for in subpart A of part 6 of schedule 1 of the TSUS;

(2) fresh or chilled vegetables provided for in items 135.03 through 138.46 of the TSUS;

(3) fresh mushrooms provided for in item 144.10 of the TSUS;

(4) fresh fruit provided for in tems 146.10, 146.20, 146.30, 146.50 through 146.62, 146.90. 146.91, 147.03 through 147.33, 147.50 through 149.21 and 149.50 of the TSUS.

(5) fresh cut flowers provided for in items 192.17, 192.18 and 192.21 of the TSUS; and

(6) concentrated citrus fruit juice provided for in items 165.25 and 165.35 of the TSUS.

1540.22 Who May File Request.

A request under this subpart may be filed by an entity, including a firm, or a group of workers, trade association, or certified or recognized union which is representative of a domestic industry producing a perishable product like or directly competitive with a perishable product that such entity claims is being imported from Israel into the United States at a reduced duty or duty-free under the provisions of a trade agreement between the United States and Israel entered into under Section 102(b)(1) of the Trade Act of 1974, as amended, in such increased quantities as to be a substantial cause of serious injury, or the threat thereof, to such domestic industry.

1540.23 Contents of Request.

A request for emergency action under Section 404 of the Act shall be submitted in duplicate to the Administrator, Foreign Agricultural Service, United States Department of Agriculture, Washington, D.C. 20259. Such request shall be supported by appropriate information and data and shall include to the extent possible: (1) a description of the imported perishable product(s) allegedly causing, or threatening to cause, serious injury; (2) data showing that the perishable product allegedly causing, or threatening to cause, serious injury is being imported from Israel during a previous representative period of time (including a statement of why the period selected by the petitioner should be considered to be representative); (3) evidence of serious injury or threat thereof to the domestic industry substantially caused by the increased quantities of imports of the product from Israel; and (4) a statement indicating why emergency action would be warranted under Section 404 of the Act (including all available evidence that the injury caused by the increased quantities of imports from Israel would be relieved by the withdrawal of the reduction of the duty or elimination of the duty-free treatment provided to the product under the trade agreement). A copy of the petition and the supporting evidence filed with the United States International Trade Commission under Section 201 of the Trade Act of 1974, as amended, must be provided with the request for emergency action.

1540.24 Determination of the Secretary of Agriculture.

If the Secretary of Agriculture has reason to believe that the perishable product(s) which is the subject of a petition under this subpart is being imported into the United States in such increased quantities as to be a substantial cause of serious injury, or the threat thereof, to the domestic industry producing a perishable product like or directly competitive with the imported perishable product and that emergency action is warranted, the Secretary, within 14 days after the filing of the petition under section 1540.23 shall recommend to the President that the President take emergency action. If the Secretary determines not to recommend the imposition of emergency action, the Secretary, within 14 days after the filing of the petition, will publish a notice of such determination and will so advise the petitioner.

1540.25 Information

Persons desiring information from the Department of Agriculture regarding the Department's implementation of Section 404 of Foreign Agricultural Service, United States Department of Agriculture, Washington, D.C. 20250.

III. Rules of Origin Applicable to Israel

A. Summary

The Free Trade Area Agreement incorporates country of origin rules that impose a two part origin requirement for determining the eligibility of articles entered into the United States under the provisions of the Agreement:

1. An article must be a product of Israel;

2. At least 35% of the appraised value of the article at the time of entry must be attributed to the cost or value of materials which are products of Israel and the direct costs of processing performed in Israel.

In addition to these origin requirements, articles entered under the Agreement must be imported directly from Israel to the United States.

The Agreement also requires that a certificate of origin be submitted for all articles entered under the Agreement. A declaration, under certain circumstances, may be required in addition to the certificate of origin.

B. Administrative Action to Implement Annex 3 of the Agreement

Customs Service regulations will be amended to reflect the entry requirements for articles to be entered unter the Agreement. The Customs Service regulations will reflect the language and purpose of the Agreement in order to facilitate its effective implementation and enforcement. No significant problems are anticipated.

The country of origin requirements are intended to be like those currently applied by the United States under the Caribbean Basin Initiative. That is, an article must not only be a product of Israel, but it must also satisfy the 35% content requirement. In order to be a "product of Israel" an article must either be wholly the growth, product, or manufacture of Israel as defined in Section 3, or it must be the product which, as a result of substantial processing performed in Israel, is a new and different article of commerce distinct from the materials or articles from which it is produced. This change is a substantial transformation.

The concept of substantial transformation is a concept which is intended to avoid excessive rigidity in determining origin. It is not a mere valued-added test. It requires, in the minimum, that a substantial processing operation be performed which results in a commercially significant change in the nature or essence of the article or material being processed. The article must be the result of a processing operation that is substantial or significant. For example, simple combining or packaging, or mere dilution are processing operations that do not result in a substantial transformation. This concept is the same as that which is applied by the U.S. Customs Service pursuant to existing regulations, administrative decisions and judicial opinions.

Questions concerning whether or not processing results in a substantial transformation will be treated on a case by case basis. The existing Customs Regulations provide an adequate procedure by which an interested party may obtain a ruling on any question concerning what constitutes a substantial transformation in a particular case. Final administrative determinations as to whether an article imported into the United States has been substantially transformed will be made by the U.S. Customs Service. Section 11 of Annex 3 of the Agreement provides for consultation and proposal of amendments in the event that the Government of Israel believes that a determination by the Customs Service has negated the benefits intended under this Agreement.

Sections 6 and 7 of Annex 3 provide guidance on what are includable costs for purposes of determining the cost or value of materials produced in Israel and the direct costs of processing in Israel.

Section 8 of Annex 3 defines the term "imported directly" which is a requirement for treatment under the provisions of the Agreement. Section 8(c) provides for a complicated but commercially realistic and enforceable application of the direct shipment requirement to articles that do not meet the conditions of Section 8(b). It applies to articles shipped from Israel to an intermediate country and which 1) remain under the customs control of that intermediate country, 2) are not entered into the commerce of that country for consumption, 3) are not subjected to processing operations, and, 4) if sold while under customs control in the intermediate country, are sold only once and at a sale other than retail by the person who exported the articles from Israel (or his sales agent) to the person who subsequently imports the articles into the United States. Furthermore, a certificate of origin will still be required.

Articles imported directly from Israel within the meaning of Section 8(c) will have to be identified as being the articles exported from Israel. In this regard, sufficient documentation shall be presented or may be requested by the Customs authorities so that the articles imported into the United States can be traced and so identified. This may involve, in addition to the certificate of origin, submission of copies of the invoices, original bills of lading, and subsequent shipping documents which identify the articles by quantity, number, marks, and other descriptions. Other reasonable evidence may be requested to verify that the articles are imported directly within the meaning of Section 8(c).

Article 9 of Annex 3 provides for a certificate of origin to be presented by the exporter that is to be submitted for articles entered under the Agreement. The information on the certificate is essentially the same as that which is currently required on the Form A used for the Generalized System of Preferences. The certificate of origin is a requirement. Waiver of this form, however, may be obtained at the discretion of the responsible Customs officer having jurisdiction over the entry of the articles. Usually submission of other satisfactory evidence of origin will be required.

A certificate of origin will not be required, however, for articles imported from Israel and entered under an informal entry procedure. The types of entries in this case will be entries of articles on a traveller's baggage declaration and entries of unaccompanied merchandise or commercial purchases which are valued at under $1,000, whether shipped by mail or otherwise. In order to preclude fraud or circumvention of the country of origin requirements, the Customs officer may request documentation or other evidence as to origin in order to show that commercial shipments have not been split so as to avoid formal entry requirements. The purpose of this exception is to eliminate an excessive burden on a person who usually purchases at retail from a party who is not qualified to issue a certificate of origin. Furthermore, entries of articles in these cases should not present a significant threat to the purposes and enforcement of the Agreement.

Under circumstances in which the accuracy of the statements is questionable or there is suspicion of fraud, a detailed supporting declaration may be requested from the person who prepared the certificate or origin. The content of the declaration is described in Section 9. It is also anticipated that random verification of certificates of origin will also require requests from this declaration.

A BILL

To approve and implement the free trade area agreement between the United States and Israel.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. 1. SHORT TITLE.

This Act may be cited as the "United States-Israel Free Trade Area Implementation Act of 1985".

SEC. 2. PURPOSES.

The purposes of this Act are--

(1) to approve and implement the agreement on the establishment of a free trade area between the United States and Israel negotiated under the authority of section 102 of the Trade Act of 1974;

(2) to strengthen and develop the economic relations between the United States and Israel for their mutual benefit; and

(3) to establish free trade between the two nations through the removal of trade barriers.

SEC. 3. APPROVAL OF A FREE TRADE AREA AGREEMENT.

Pursuant to sections 102 and 151 of the Trade Act of 1974 (19 U.S.C. 2112; 2191), the Congress approves--

(1) the Agreement on the Establishment of a Free Trade Area between the Government of the United States of America and the Government of Israel (hereinafter in this Act referred to as "the Agreement") entered into on April 22, 1985, and submitted to the Congress on , 1985, and

(2) the statement of administrative action proposed to implement the Agreement that was submitted to the Congress on .

SEC. 4. PROCLAMATION AUTHORITY.

(a) Tariff Modifications.--Except as provided in subsection (c), the President may proclaim--

(1) such modifications or continuance of any existing duty,

(2) such continuance of existing duty-free or excise treatment, or

(3) such additional duties,

as the President determines to be required or appropriate to carry out the schedule of duty reductions with respect to Israel set forth in Annex 1 of the Agreement.

(b) Additional Tariff Modification Authority.--Except as provided in subsection (c), whenever the President determines that it is necessary to maintain the general level of reciprocal and mutually advantageous concessions with respect to Israel provided for by the Agreement, the President may proclaim--

(1) such withdrawal, suspension, modification, or continuance of any duty,

(2) such continuance of existing duty-free or excise treatment, or

(3) such additional duties,

as the President determines to be required or appropriate to carry out the Agreement.

(c) Exception to Authority.--No modification of any duty imposed on any article provided for in paragraph (4) of Annex 1 of the Agreement that may be proclaimed under subsection (a) or (b) shall take effect prior to January 1, 1995.

SEC. 5. RELATIONSHIP OF THE AGREEMENT TO UNITED STATES LAW.

(a) United States Statutes to Prevail in Conflict.--No provision of the Agreement, nor the application of any such provision to any person or circumstance, which is in conflict with--

(1) title IV of the Trade and Tariff Act of 1984, or

(2) any other statute of the United States,

shall be given effect under the laws of the United States.

(b) Implementing Regulations.-- Regulations that are necessary or appropriate to carry out actions proposed in any statement of proposed administrative action submitted to the Congress under section 102 of the Trade Act of 1974 (19 U.S.C. 2112) in order to implement the Agreement shall be prescribed. Initial regulations to carry out such action shall be issued within one year after the date of the entry into force of the Agreement.

(c) Changes in Statutes to Implement a Requirement, Amendment, or Recommendation.--

(1) Except as otherwise provided in paragraph (2), the provisions of section 3(c) of the Trade Agreements Act of

1979 (19 U.S.C. 2504(c)) shall apply with respect to the Agreement and--

(A) no requirement of, amendment to, or recommendation under the Agreement shall be implemented under United States law, and

(B) no amendment, repeal, or enactment of a statute of the United States to implement any such requirement, amendment, or recommendation shall enter into force with respect to the United States,

unless there has been compliance with the provisions of section 3(c) of the Trade Agreements Act of 1979.

(2) The provisions of section 3(c)(4) of the Trade Agreements Act of 1979 (19 U.S.C. 2504(c)(4)) shall apply to any bill implementing any requirement of, amendment to, or recommendation made under, the Agreement that reduces or eliminates any duty imposed on any article provided for in paragraph (4) of Annex 1 of the Agreement only if--

(A) any reduction of such duty provided in such bill--

(i) takes effect after December 31, 1989, and

(ii) takes effect gradually over the period that begins on January 1, 1990, and ends on December 31, 1994,

(B) any elimination of such duty provided in such bill does not take effect prior to January 1, 1995, and

(C) the consultations required under section 3(c)(1) of such Act occur at least 90 days prior to the date on which such bill is submitted to the Congress under section 3(c) of such Act.

(d) Private Remedies Not Created.--Neither the entry into force of the Agreement with respect to the United States, nor the enactment of this Act, shall be construed as creating any private right of action or remedy for which provision is not explicitly made under this Act or under the laws of the United States.

SEC. 6 TERMINATION.

The provisions of section 125(a) of the Trade Act of 1974 (19 U.S.C. 2135(a)) shall not apply to the Agreement.

SEC. 7. LOWERED THRESHOLD FOR GOVERNMENT PROCUREMENT UNDER TRADE AGREEMENTS ACT OF 1979 IN THE CASE OF CERTAIN ISRAELI PRODUCTS.

Paragraph (4) of section 308 of the Trade Agreements Act of

1979 (19 U.S.C. 2518(4)) is amended by inserting after subparagraph (B) the following new subparagraph:

"(C) Lowered threshold for certain products as a consequence of United States-Israel free trade area provisions.--The term 'eligible product' includes a product or service of Israel having a contract value of $50,000 or more which would be covered for procurement by the United States under the Agreement on Government Procurement as in effect on the date on which the Agreement on the Establishment of a Free Trade Area between the Government of the United States of America and the Government of Israel enters into force, but for the SDR 150,000 threshold provided for in Article I(1)(b) of the Agreement on Government Procurement.".

SEC. 8. TECHNICAL AMENDMENTS.

(a) Amendments to the Trade and Tariff Act of 1984.--

(1) Subsection (a) of section 402 of the Trade and Tariff Act of 1984 (19 U.S.C. 2112, note) is amended--

(A) by striking out that portion of paragraph (1) that precedes subparagraph (A) and inserting in lieu thereof: "The reduction or elimination of any duty imposed on any article by the United States provided for in a trade agreement entered into with Israel under section 102(b)(1) of the Trade Act of 1974 shall apply only if--"; and

(B) by striking out "be an eligible Israeli article" in paragraph (2) and inserting in lieu thereof "meet the requirements of paragraph (1)(A)".

(2) Subsection (e) of section 404 of the Trade and Tariff Act of 1984 is amended--

(A) by striking out "vegetable provided for in" in paragraph (2) and inserting in lieu thereof "fresh or chilled vegetables provided for in items 135.03 through 138.46 of".

(B) by striking out "edible nut or fruit provided for in schedule 1, part 9," in paragraph (4) and inserting in lieu thereof "fresh fruit provided for in items 146.10, 146.20, 146.30, 146.50 through 146.62, 146.90, 146.91, 147.03 through 147.44, 147.50 through 149.21, and 149.50", and

(C) by inserting "juice" after "citrus fruit" in paragraph (6).

(3) Section 406 of the Trade and Tariff Act of 1984 is redesignated as section 405.

(b) Amendments to the Trade Act of 1974.--

(1) Paragraph (3) of section 102(b) of the Trade Act of 1974 (19 U.S.C. 2112(b)(3)) is amended by inserting "that provides for the elimination or reduction of any duty imposed by the United States" after "such other country".

(2) Title V of the Trade Act of 1974 (19 U.S.C. 2461, et seq.) is amended by inserting "or Presidential proclamation" after "Executive order" each place it appears therein.

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